



## LEHIGH COUNTY AUTHORITY

**LCA Main Office:**  
1053 Spruce Road  
Wescosville, PA 18106  
610-398-2503

**Agendas & Minutes Posted:**  
[www.lehighcountyauthority.org](http://www.lehighcountyauthority.org)

Published: October 19, 2020

### BOARD MEETING AGENDA – October 26, 2020 – 12:00 p.m.

**Notice of COVID-19 Pandemic Meeting Format:** Effective March 23, 2020 and until further notice, meetings of the LCA Board of Directors will be held virtually using the Zoom Meetings application, to avoid risk of infection during the national COVID-19 pandemic emergency. Public participation is welcomed via Zoom, and instructions for joining the meeting online or by phone are posted on the LCA website in the morning on the day of the meeting, prior to the start of each meeting. You may also issue comment to LCA via email to [LCABoard@lehighcountyauthority.org](mailto:LCABoard@lehighcountyauthority.org) in advance of any meeting, or view the meeting at a later time by visiting the LCA website. Please visit <https://www.lehighcountyauthority.org/about/lca-board-meeting-videos/> for specific instructions to join the meeting.

#### 1. Call to Order

##### • NOTICE OF MEETING RECORDINGS

Meetings of Lehigh County Authority's Board of Directors that are held at LCA's Main Office at 1053 Spruce Road, Wescosville, PA, may be recorded for viewing online at [lehighcountauthority.org](http://lehighcountauthority.org). Recordings of LCA meetings are for public convenience and internal use only and are not considered as minutes for the meeting being recorded, nor are they part of public record. Recordings may be retained or destroyed at LCA's discretion.

##### • *Public Participation Sign-In Request*

#### 2. Review of Agenda / Executive Sessions

#### 3. Approval of Minutes

##### • *October 12, 2020 Board meeting minutes*

#### 4. Public Comments

#### 5. Action / Discussion Items:

#### **FINANCE AND ADMINISTRATION**

- *2021 Budget Approval (Approval) (white)*
- *LCA Pension Plan – Mandatory Municipal Obligation (Information) (tan)*

#### **WATER**

- *Allentown Division – 36" DI Water Main Condition Assessment (Approval) (yellow)*
- *Allentown Division – Resolution No. 10-2020-1 – PENNVEST Application – WFP High Service Pump VFD Project (Approval) (blue)*

#### **WASTEWATER**

6. Monthly Project Updates / Information Items (1<sup>st</sup> Board meeting per month)
7. Monthly Financial Review (2<sup>nd</sup> Board meeting per month) – **September report to be distributed under separate cover**
8. Monthly System Operations Overview (2<sup>nd</sup> Board meeting per month) – **September report attached**
9. Staff Comments
10. Solicitor's Comments
11. Public Comments / Other Comments
12. Executive Sessions

### 13. Adjournment

| UPCOMING BOARD MEETINGS |                   |                   |
|-------------------------|-------------------|-------------------|
| November 9, 2020        | November 23, 2020 | December 14, 2020 |

#### PUBLIC PARTICIPATION POLICY

In accordance with Authority policy, members of the public shall record their name, address, and discussion item on the sign-in sheet at the start of each meeting; this information shall also be stated when addressing the meeting. During the Public Comment portions of the meeting, members of the public will be allowed 5 minutes to make comments/ask questions regarding non-agenda items, but time may be extended at the discretion of the Chair; comments/questions regarding agenda items may be addressed after the presentation of the agenda item. Members of the public may not request that specific items or language be included in the meeting minutes.

## **REGULAR MEETING MINUTES**

### **October 12, 2020**

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The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:02 p.m. on Monday, October 12, 2020, Chairman Brian Nagle presiding. The meeting was held via video and audio advanced communication technology ("ACT"), using the Zoom internet application, due to the COVID-19 pandemic emergency. Each Board member and other attendees of the meeting were able to hear each other attendee and be heard by each other attendee. The public could also participate in the meeting via ACT, using the Zoom internet application. A Roll Call of Board members present was taken. Chairman Brian Nagle, Scott Bieber, Richard Bohner, Norma Cusick, Ted Lyons, Kevin Baker, Linda Rosenfeld, Jeff Morgan, and Amir Famili were present for the duration of the meeting.

Solicitor Michael Gaul of KingSpry was present along with Authority Staff, Liesel Gross, Ed Klein, John Parsons, Chris Moughan, Chuck Volk, Andrew Moore, Phil DePoe, Susan Sampson and Todd Marion.

#### **REVIEW OF AGENDA**

Chairman Nagle announced that the Board received their packet in advance of the meeting and received a revised copy of the WLI User Charge Report via email later in the week.

Liesel Gross stated there are no changes to the agenda; however, there will be an item to review under the Staff Comments portion of the meeting. There are no topics for Executive Session.

#### **APPROVAL OF MINUTES**

##### **September 28, 2020 Meeting Minutes**

Richard Bohner presented minor corrections to the September 28, 2020 minutes. On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the minutes of the September 28, 2020 Board meeting as corrected (7-0). Scott Bieber and Linda Rosenfeld abstained.

#### **PUBLIC COMMENTS**

None.

#### **ACTION AND DISCUSSION ITEMS**

##### **2021 Preliminary Budget Review (Discussion)**

Liesel Gross reviewed the budget development timeline. Today is the Board's third review of the 2021 Budget. Discussion will focus on the changes to the budget figures since the Board's last meeting in September, along with a review of proposed rates for the Suburban Water Division. Today's presentation was sent to the Board in advance of the meeting, and posted on the Authority's website for public viewing.

Ed Klein gave a PowerPoint presentation, which reviewed the changes to the 2021 Preliminary Budget since the last presentation in September. He reviewed the budget summary including expected outcomes related to net income, cash flows, capital spending, debt service coverage ratios and operating days cash on hand.

Amir Famili noted the 2020 Budget included \$21 million for capital projects, but the forecast shows the Authority expects to complete only \$11 million of work. He asked whether the Authority borrowed money on the basis of spending the higher amount, and what the impact is if the Authority spends significantly less than budgeted and borrowed. Mr. Klein explained that the Authority did not undertake any borrowing in 2020 for the \$21 million in budgeted capital improvements. As a result, the impact of spending only \$11 million is only seen on the cash flow side. Mr. Famili asked how the 2021 capital budget of \$17 million would be funded. Mr. Klein explained that the Authority plans to use operating cash and reserves for the majority of the 2021 capital program.

Mr. Klein reviewed the Suburban Water Division proposed budget, noting that the primary change since the prior presentation was an increase in revenue. The revenue projections were increased to allow the Authority to achieve its internal target of 1.20 debt service coverage, which is important for providing capital funding as well as coverage for emergencies.

Liesel Gross then reviewed the proposed 2021 rate increases for the Suburban Water Division, which are needed to achieve the revenue targets included in the proposed budget. She explained that an overall revenue increase of 12 percent is needed, but only 10.5 percent will come from rate increases, with the remainder being generated by growth. She reviewed the rate structure in place for the Suburban Water Division, including fixed charges and volume charges applied to customers in different rate classes. In order to distribute the rate increase proportionately to all customers, both the fixed charge and volume charges would be increased. The average residential customer will pay \$28 per year more in 2021 based on the proposed rate structure. All customers would pay between 7 and 12 percent more depending on the volume of water used.

Amir Famili asked how the \$160,000 in new revenue generated by economic growth was estimated and whether it is a conservative figure. Ms. Gross explained that the Authority staff have information provided by new and existing industrial customers regarding their estimated production trends in 2021 that informed the calculation of this figure; however, it is a conservative figure due to the speculative nature of some of the growth projections provided. Housing growth continues to supplement industrial growth. The Authority staff expects the budgeted figure can be achieved realistically. Mr. Famili noted that there is significant upside potential in this figure if it is underestimated, and the impact of the rate increase will be compounded over time if growth is more robust than currently estimated.

Additional discussion followed regarding the adequacy of the proposed rate increase. Scott Bieber noted that the Suburban Water rates will continue to be very low and that there is potential room for higher increases that could further bolster the Authority's capital program. Jeff Morgan noted the Authority's proposed fixed charges and current volume charge of \$2.76 per 1000 gallons is very low when compared across the region.

Ted Lyons asked about the rate structure and how costs are allocated between the fixed charge and volume charge. Ms. Gross explained that a water rate study was conducted by a rate expert three years ago, using an industry-accepted methodology, to allocate fixed and variable costs to different customer classes. She also noted that water utilities are increasingly relying on fixed charges to generate required revenue as many utility costs are not variable, and declining water usage puts revenue at risk when the fixed charge is too low.

Ed Klein then reviewed the Suburban Wastewater Division proposed budget, which was unchanged from the prior presentation.

Mr. Klein reviewed the City Division proposed budget, noting two changes related to capital improvements. The water filtration plant project to replace variable frequency drives for the high-lift pumps was excluded from the prior budget presentation. The Authority expect to spend \$800,000 on that project in 2021. In addition, the Authority staff would like to pursue PENNVEST funding for this project, and this borrowing was added to the budget proposal. Liesel Gross noted City Division water and sewer rates would be increasing by the terms of the amended Lease Agreement, and would be presented to the Board for adoption in November.

Mr. Klein reviewed the Internal Services expenses, and the dashboard of financial metrics for all funds included in the 2021 Proposed Budget. He reviewed the next steps in the budget development process, including budget adoption, which will be requested at the October 26, 2020 meeting. Rates for 2021 will be presented for adoption in November, and updated tapping fees for the Suburban Wastewater Division would be presented in December.

### **WLI User Charge Report**

Jennifer Montero, the Authority's Contracts Administrator, provided a report of the proposed 2021 Western Lehigh Interceptor, Little Lehigh Relief Interceptor Phase 1 and 2 rates. The rates are developed using a cost-of-service methodology outlined in the intermunicipal agreements with the Authority's signatories. The rates also include funding for capital reserves. The billing process includes developing rates for budgeting purposes for the upcoming calendar year, and then actual costs, sewage flows and waste strength data is used to reconcile the charges applied to the municipalities after the end of the calendar year. Based on the budgeted costs and estimated sewage flows and waste strength, the calculated rates result in an estimated 4 percent increase to the average residential sewer customer. Ms. Montero explained that the report was submitted to the municipalities for comment prior to the Authority Board's review.

Chairman Nagle asked if any comments or concerns were received from the municipal signatories. Ms. Montero stated that only a few comments were received, and they were focused on the rate calculation methodology. She stated she was able to answer the questions to the municipalities' satisfaction.

Liesel Gross commented that this report is prepared for municipal signatories, so they have a basis for developing their municipal budgets. The Authority provides preliminary approval of the report in order to communicate with the municipalities that the rates are finalized, which also helps with their municipal budgets. The rates included in the report are incorporated into the Authority's 2021 Preliminary Budget reviewed earlier in the meeting.

On a motion by Linda Rosenfeld, seconded by Richard Bohner, the Board approved the 2021 Western Lehigh Interceptor User Charge Report on a preliminary basis (9-0).

A roll call vote was taken with the following votes cast:

Brian Nagle – yes  
Scott Bieber – yes  
Richard Bohner – yes  
Norma Cusick – yes  
Ted Lyons – yes  
Kevin Baker – yes  
Linda Rosenfeld – yes  
Jeff Morgan – yes

Amir Famili – yes

### **MONTHLY PROJECT UPDATES / INFORMATION ITEMS**

Liesel Gross highlighted the items noted in the report for the upcoming meeting, including the approval of the 2021 Budget.

### **STAFF COMMENTS**

Liesel Gross reviewed information received from the Pennsylvania Public Utility Commission (PUC) regarding utility service termination for customer nonpayment as it relates to the COVID-19 pandemic. Last week, the PUC issued a new ruling that utility service terminations may resume for customer nonpayment, effective November 9, 2020, but with restrictions to protect customers who meet certain economic thresholds for low-income households. Even though the Authority is not under PUC jurisdiction, the rules issued by the PUC provide guidance on how the Authority might proceed with its collection of delinquent accounts. Ms. Gross stated that the Authority staff are working to develop protocols to begin applying late fees and conducting service terminations effective January 1, 2021. The plans developed for collections activity will be communicated to the impacted customers over the next three months, along with information about any customer assistance programs the Authority may develop in the intervening time period. More information about a potential customer relief fund will be presented to the Board at a later date. Some Board discussion followed.

### **SOLICITOR'S COMMENTS**

None.

### **PUBLIC COMMENTS / OTHER COMMENTS**

None.

### **EXECUTIVE SESSION**

### **ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 1:29 p.m.

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Richard Bohner  
Secretary

# LEHIGH COUNTY AUTHORITY \* ALLENTOWN, PENNSYLVANIA

## 2021 Budget - PROPOSED

With Comparative Data for years ended December 31:  
2019 Actual, 2020 Forecast & 2020 Budget

Presented to Board of Directors on October 26, 2020

**LEHIGH COUNTY AUTHORITY**  
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## Executive Summary



LEHIGH COUNTY AUTHORITY

1053 SPRUCE ROAD \* P.O. BOX 3348 \* ALLENTOWN, PA 18106-0348  
610-398-2503 \* FAX 610-398-8413 \* [www.lehighcountyauthority.org](http://www.lehighcountyauthority.org)  
email: [service@lehighcountyauthority.org](mailto:service@lehighcountyauthority.org)

## 2021 BUDGET – EXECUTIVE SUMMARY

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Submitted by: Liesel M. Gross, Chief Executive Officer  
October 19, 2020

Most years, when we begin to think about the year ahead and develop our plans for the upcoming budget year, Lehigh County Authority (LCA) staff and Board of Directors talk about lofty goals and strategies for the future. It is a time to reflect on what we have accomplished so far and to think about the needs of the community we serve and the water and sewer systems we manage.

Developing a budget for 2021 was decidedly different. LCA's best laid plans for 2020 were derailed very early in the year with the emergence of the COVID-19 pandemic in early March. Like most organizations in the Lehigh Valley and across the nation, many of our plans for 2020 were put to the side to allow us to focus on keeping employees healthy and ensuring a sustainable operation in uncertain times. Never has it been more apparent what a vital role public water and sewer service plays in protecting public health. All other goals for 2020 paled in comparison to the mission of providing safe and reliable service to our community.

LCA has sustained financial and operational impacts from the pandemic, including:

**Residential Customer Impact** – Customers who have been hardest hit by unemployment during the pandemic have had difficulty paying their water and sewer bills.

**Collections Performance** – Suspension of all normal collections activity – applying late fees and terminating service to non-paying customers – was the right thing to do but has resulted in ever-increasing unpaid past-due receivables. By October 2020, after seven months of suspended collections activity, unpaid past-due receivables have increased by approximately \$900,000.

**Impact of Business Closures** – Many commercial and retail establishments ceased operation for nearly three full months from March until June, and then gradually reopened in accordance with state mandates that remain in place today. For LCA, this resulted in a marked decrease in water usage by commercial customers, and resulting loss of revenue. This loss was felt most deeply within the City of Allentown where a revitalized downtown retail and restaurant district shut down and remains at or below 50 percent capacity for the foreseeable future.

**Projects Deferred** – For several months of 2020, all work with external contractors was placed on hold, so major capital improvements and ongoing operations and maintenance work were deferred for a period of time. This resulted in some cost savings to offset the loss of revenues described above.

**Operational Adjustments to Protect Employees** – Especially during the first three months of the pandemic, LCA shifted operationally several times to respond to changing circumstances. Our spending shifted dramatically to reallocate funds into our technology program to allow non-operational employees to work remotely, and into the purchase of safety equipment, cleaning

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supplies and services, emergency accommodations for critical on-site workers, and much more. Payroll expenses increased to accommodate increases in overtime and other expenses as our operational employees worked in isolated shifts to prevent cross-infection in case someone became sick. These expenses have totaled more than \$600,000 so far this year.

These unplanned but necessary adjustments, coupled with the uncertain future of the pandemic impacts on our world, complicated LCA's process of thinking ahead for 2021. In developing the 2021 budget, we considered:

- *How and when will the economy recover? How will customer growth be impacted?*
- *Will our commercial customers be able to fully reopen in 2021?*
- *Will customers who face financial hardships be able to pay their utility bills next year?*
- *Can we move forward with collections activity to support improved cash flow, and when?*
- *Can we move forward on our non-pandemic goals while maintaining a strong focus on keeping employees healthy and ensuring safe and reliable service to the community?*

Certainly we do not have all the answers, and so LCA's 2021 Budget is an imperfect document. But it captures our best estimation of what is likely to occur in 2021. In addition, we have incorporated plans to move forward on a few important organizational strategies and have made some difficult choices regarding water and sewer rates.

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### **Strategic Imperatives for 2021**

While LCA's primary focus in 2021 will be to monitor and then recover from the impact of the pandemic, our staff has identified several important goals for the year ahead. The top three are:

1. Targeted Operational Improvements:

For our Suburban Division, this means a dedicated focus on evaluating and upgrading LCA's Supervisory Control and Data Acquisition (SCADA) system. We have added staff, technology and consulting resources into the 2021 Budget to support this program which is needed to bring our system up to current standards for automation, access, security and control.

For our City Division, a top priority is to replace or repair the mobile equipment used every day to maintain our water and sewer systems. Our dedicated employees required updated tools to perform their jobs and maintain this aging, urban system.

2. Process Improvements:

LCA staff have identified several administrative areas that would benefit from dedicated process improvement efforts. These areas span the organization and cover customer service, billing, sewer signatory billing, human resources, and capital project accounting. To achieve improvements in these areas, the following resources have been included in the 2021 Budget:

- Additional Staff Support
- Information Technology Solutions
- External Financial Consultant Services
- Internal Team Development
- Training Resources for Continuous Improvement

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By taking a multi-faceted approach to process improvement, LCA expects to improve efficiency and accountability in these critical administrative functions.

3. Targeted Capital Funding for Critical Projects & System Planning:

The 2021 Budget includes funding for LCA's capital improvements program, but pared down in certain areas to ensure focus is placed on completing the most critical projects.

In LCA's Suburban Wastewater Division, the 2021 Budget includes funding to continue working aggressively toward a regional Act 537 Sewage Facilities Plan, which is due to be submitted to state regulators in 2025. Next year, system modeling and engineering work will be focused on developing short- and long-term solutions to address bottlenecks in the system in the area near Trexlertown, which cause sewage overflows during wet-weather events.

For our City Division, LCA's 2021 Budget includes funding to begin important projects to replace aging infrastructure. Projects include one mile of water main replacement, replacement of variable frequency drives for the high lift pumps at the water filtration plant, and replacement of disinfection systems and boilers at the wastewater treatment plant.

### **Facing the Challenge of Increasing Utility Rates**

Like many water and sewer utilities across the nation, LCA faces a significant burden of caring for and replacing aging infrastructure. In the City of Allentown, many water and sewer lines are 100 years old or older and face significant integrity challenges. In addition, much of our water and wastewater treatment plant equipment is at the end of its useful life and needs to be replaced or upgraded. In our Suburban service areas, while the systems may be "younger" in many cases, LCA's infrastructure requires greater attention in the form of preventive maintenance and strategic asset management.

Also like many utilities across the nation, LCA's water and sewer rates will need to increase to pay for these system improvements. Everywhere, water and sewer rate increases are expected to outpace inflation for many years into the future. Included in the 2021 Budget are rate increases to LCA customers that are necessary but may be difficult for some customers to bear.

### **City Division**

In July 2020, LCA and the City of Allentown agreed to amend the 50-year water and sewer Concession Lease Agreement that was signed in 2013. The amendment was needed to improve LCA's financial performance under the terms of the Lease with the key goal of providing funding to complete the critical system improvements described above.

As part of this amendment, rate structures have been modified to provide additional revenue to the City Division. This includes an approximate increase of 20 percent for an average residential customer in Allentown. Several other terms of the new agreement provide ways to control future rate increases, including provisions for future rate reductions when LCA's financial picture improves. However, we recognize the initial rate impact to customers over the next several years will be significant.

Throughout the multi-year negotiation process, LCA and the Allentown officials have sought ways to leverage LCA's non-profit, municipal authority structure to increase reinvestment in the

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water and sewer system. We believe the amended agreement offers regional solutions and provides value back to the community. The long-term benefits of this Lease amendment will be felt for decades to come. More information about the Lease amendment is available on LCA's website at: <https://www.lehighcountyauthority.org/leaseupdate/>

### Suburban Division

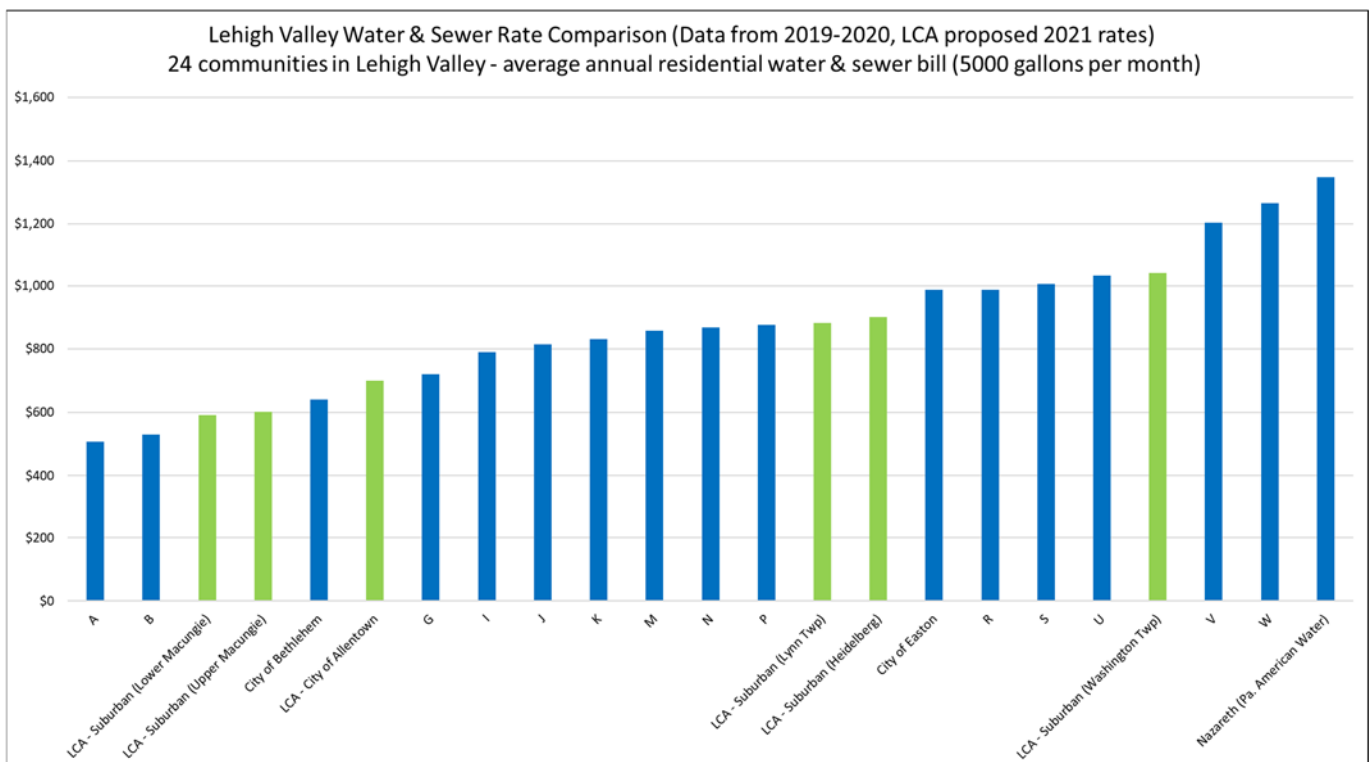
While LCA has openly discussed the need for annual rate increases to bolster our preventive maintenance program and reduce our reliance on debt for capital improvements, the 2021 Budget offered additional challenges that will result in higher-than-expected rate increases for our Suburban Water customers.

In 2021, the cost to purchase water from the City of Allentown water system will increase by approximately \$675,000. This is a one-time increase reflecting terms of an updated Water Purchase Agreement between LCA and the City. The benefits of the agreement revision include a 30+ year extension to the term of the agreement and equitable cost-of-service rates for all water users. However, LCA's Suburban Division will be required to pay more to cover its proportionate cost of water production and treatment.

To address this issue and meet other critical financial goals, a rate increase of approximately 10.5 percent is included in the 2021 Budget. For the average Suburban Water customer, this equates to an increase of \$28 per year.

### Regional Rate Comparisons

While LCA would always prefer to keep rates as low as possible, the increases described above are necessary. The graph below illustrates how LCA's 2021 proposed rates compare to other communities in the Lehigh Valley. Notably, with the 2021 increases included, most LCA customers will continue to enjoy some of the lowest water and sewer rates in our region.



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### 2021 BUDGET – SUMMARY OF EXPECTED RESULTS

The sections above describe the breadth of issues that were evaluated and discussed through the development of the 2021 Budget. The summary below shows that the 2021 Budget is presented with positive cash flows, meeting debt service requirements, and providing alternative funding for capital improvements that limits the borrowing required to pay for these investments. In 2021, we also see positive movement toward our target for operational cash balances, which supports overall financial sustainability of the organization.

| <b>Budget Overview</b>                             | <b>Suburban Water</b> | <b>Suburban Wastewater</b> | <b>City Division</b> | <b>Total</b>         |
|--|-----------------------|----------------------------|----------------------|----------------------|
| Operating, Non-Operating & Other Revenue           | \$12,836,751          | \$20,223,056               | \$44,066,704         | \$77,126,511         |
| Operating Expenses (net of depreciation)           | \$8,637,776           | \$13,248,399               | \$20,170,389         | \$42,056,564         |
| Net Revenues Available for Debt Service            | \$4,198,975           | \$6,974,657                | \$23,896,315         | \$35,069,947         |
| Debt Service                                       | \$3,499,146           | \$731,029                  | \$14,115,086         | \$18,345,261         |
| Debt Service Coverage Ratio (indenture based)      | 1.20                  | 9.54                       | 1.69                 | 1.91                 |
| <b>Capital Budget Overview</b>                     | <b>Suburban Water</b> | <b>Suburban Wastewater</b> | <b>City Division</b> | <b>Total</b>         |
| Capital Expenses                                   | \$4,190,000           | \$3,921,800                | \$8,877,500          | \$16,989,300         |
| Funding from 2021 Revenue & Operating Reserves     | \$4,190,000           | \$3,749,781                | \$8,877,500          | \$16,817,281         |
| Funding from Existing Project Reserves             | -                     | \$172,019                  | -                    | \$172,019            |
| Funding from New Borrowing                         | -                     | -                          | -                    | -                    |
| Year-End Project Reserve Balance                   | -                     | \$2,500,000                | \$169,980            | \$2,669,980          |
| <b>Total Cash Flow</b>                             | <b>Suburban Water</b> | <b>Suburban Wastewater</b> | <b>City Division</b> | <b>Total</b>         |
| Beginning Operations Cash Balance (2020 forecast)  | \$6,700,850           | \$6,993,901                | \$6,167,443          | \$19,862,194         |
| 2021 Surplus                                       | \$699,829             | \$6,243,627                | \$13,541,047         | \$20,484,503         |
| Provided From (To) Capital                         | \$(4,190,000)         | \$(3,749,781)              | \$(8,877,500)        | \$(16,817,281)       |
| Ending Operations Cash Balance                     | \$3,210,679           | \$9,487,747                | \$10,830,990         | \$23,529,416         |
| Operating Days Cash on Hand                        | 136                   | 243                        | 181                  | 192                  |
| Project Reserve Balance                            | -                     | \$2,500,000                | \$100,000            | \$2,600,000          |
| Other Reserves & Investments (includes restricted) | \$10,948,484          | \$8,095,208                | \$55,676,307         | \$74,719,999         |
| <b>Ending Total Fund Balance - 2021 Budget</b>     | <b>\$14,159,163</b>   | <b>\$20,082,955</b>        | <b>\$66,607,297</b>  | <b>\$100,849,415</b> |

## Operating Activities

# **Lehigh County Authority**

## **2021 Budget and Comparative Prior Period Data**

### **Operating Budgets Overview**

The funds of the Authority are grouped in the financial statements as –Enterprise funds, which are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector, in addition to cash flows used more traditionally by the public utility sector. The following enterprise funds are reported as major funds:

- A. Suburban Water Division** – Used to account for the operations of the Suburban Water system’s supply, storage, pumping and treatment facilities and distribution system. The Suburban Water system is a public utility service, which is intended to be maintained on a self-supporting basis.
- B. Suburban Wastewater Division** – Used to account for the operations of the Suburban Wastewater system’s interceptors, collector systems, pump stations, and treatment facilities. The suburban wastewater system is a public utility service, which intends to be maintained on a self-supporting basis.
- C. City Division** – Used to account for the operations of the City of Allentown water and sewer system. The City Division fund is a public utility service, which intends to be maintained on a self-supporting basis. This fund was added in 2013 as a result of the Authority entering into a 50-year Concession Lease Agreement with the City.

#### **A. Suburban Water Division:**

The Authority currently owns and operates water systems in three areas of Lehigh County - the Western Lehigh (WLSA), the Northern Lehigh (NLSA) and the Southern Lehigh (SLSA) Service Areas. In addition, the Authority owns and operates one system in Northampton County. Within each service area, separate systems are further designated as divisions. The Authority is funding all expenses in the majority of the divisions through a common rate. By municipal agreement, there are 35 customers within the Washington Township Division that are not part of the common rate structure.

Responsibilities for water service include monitoring water quality, operating and maintaining the various supply sources, reservoirs, transmission and distribution pipe networks and customer metering, billing and response to other related customer service needs.

Each division is affected to varying degrees by the Federal and Pennsylvania Safe Drinking Water Act requirements. Depending on the source (groundwater or purchased surface water), differing analyses are required for water quality monitoring.

Major Budget activities continue to place an emphasis on providing customers with outstanding service. Maintenance programs intended to prolong the useful life of existing facilities, including preventive maintenance, leakage monitoring and repairs, exercising of system valves and fire hydrants, and station improvements and repairs, are on-going.

#### **B. Suburban Wastewater Division:**

The Authority is responsible for providing a variety of wastewater services. Current operation and maintenance responsibilities include; the Western Lehigh Interceptor (WLI), Little Lehigh Relief Interceptor (LLRI), the LCA Pre-Treatment Plant (formerly the County of Lehigh Pre-Treatment Plant), collection and treatment in Heidelberg Township, North Whitehall Township, Weisenberg Township and Lynn Township and collector systems within Lowhill Township, Upper Milford Township, Weisenberg Township and Washington Township.



# **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Operating Budgets Overview**

## **Western Lehigh Interceptor system:**

This budget addresses transportation and City treatment services provided to various municipalities and assumes an average daily flow of 8 million gallons per day (MGD) from the communities served including the Boroughs of Alburtis and Macungie, and the Townships of Lower Macungie, Upper Macungie, Upper Milford, Weisenberg, Lowhill and the LCA Pre-Treatment Plant (the "Municipalities"). The Municipalities are billed based upon wastewater strength, flow and reserved capacity. The budget (including the LLRI, described below) includes an estimated 4 percent rate increase for the typical residential customer. In addition, the Borough of Emmaus discharges a portion of its flow through the WLI and is billed in accordance with a service agreement.

Personnel time is included for the operation and maintenance of the gravity interceptors and the Spring Creek Pump Station (SCPS) and force main. The budget anticipates that the SCPS will operate daily to meet the demand of volume as well as in response to wet weather events according to current wet weather operating protocols.

As part of a comprehensive Infiltration and Inflow (I/I) removal program, flow monitoring of the Authority and Signatory collector system connections has been completed on an ongoing basis over many years, beginning in 2007. The results of the flow monitoring is used to plan I/I removal programs conducted by all Municipalities to lower wet-weather flows and ensure future capacity is available for new system users. In 2020, the Authority and Municipalities developed an Interim Act 537 Plan to address the capacity requirements for the time period of 2021 to 2025. The 2021 Budget includes implementation of planning activities outlined in this regional Interim Act 537 Plan.

Sampling and analysis for billing purposes of the LCA Pre-Treatment Plant and Municipality industrial/commercial users, and flow entering the City system and that from Emmaus are included.

## **Little Lehigh Relief Interceptor (LLRI) system**

### **Phase 1**

This system phase, including the Park Pump Station (PPS) and Force Main, serves the Municipalities and the Townships of Salisbury and South Whitehall. The PPS, which has been in service since 1983, provides 20 MGD of relief pumping capacity to bypass a critical portion of the City of Allentown's interceptor system. In 2020, the Authority completed a major upgrade to the PPS including replacement of aged pumps and equipment, and installation of updated variable frequency drives and control systems, which will serve to optimize the facility and increase efficiency. The 2021 Budget includes increased costs for the operation of the PPS to account for final start-up costs of the renovated facility.

### **Phase 2**

This system phase includes the gravity relief line from Keck's Bridge to the PPS and serves the Municipalities. The 2021 Budget anticipates the continuation of increased maintenance costs for cleaning the inverted siphons on this system. It is now anticipated that this will be an annual expense based upon the blockage experienced in recent years.

## **Common Rate Collector System:**

### **Upper Milford system**

As the wastewater service agency for Upper Milford Township (UMiT), Lehigh County Authority (LCA) provides all wastewater-related services for the 936 residential and 48 commercial customers in the

## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Operating Budgets Overview**

township as of October 19, 2020. Except for significant matters requiring inter-municipal negotiations or consultations, LCA provides general representation for UMiT on wastewater issues.

### **Weisenberg system**

In 2002, LCA finalized an agreement with Weisenberg Township, which designates LCA as the provider of public wastewater service within specific areas of the township. Currently LCA provides collection system service to 146 residential and 3 commercial customers in the Pointe West subdivision, to the former Penn State campus and Glasbern Inn.

### **Heidelberg Heights system**

This system, serving 145 customers in Heidelberg Township was purchased by LCA in September 1998. The system includes approximately 6,500 linear feet of collector sewers and a 60,000 GPD Sequencing Batch Reactor (SBR) Activated Sludge Wastewater Treatment Plant, which was placed in operation in 2000. The budget includes maintenance activities related to the collection system, emphasizing identification and removal of extraneous flow into the system. The Authority operates the system using LCA personnel and outside operators.

### **Wynnewood Terrace system**

The budget includes the operation and maintenance of the Wynnewood Terrace wastewater system in North Whitehall Township. The Authority took over ownership and operational responsibilities in July of 2003. The system includes a 60,000 GPD extended air activated sludge package treatment plant, three pump stations and collection system currently serving 217 residential and 2 commercial customers. The treatment plant is in the process of being replaced, with startup of new facilities planned for late 2020. The budget includes maintenance activities related to the collection system, emphasizing identification and removal of extraneous flow into the system. The Authority operates the system using LCA personnel and outside operators.

### **Sand Spring system**

The budget includes the operation and maintenance of the Sand Spring wastewater system in North Whitehall Township, which was acquired at the end of 2004. The system includes a 35,000 GPD extended air activated sludge package treatment plant and collection system currently serving 248 residential apartment units and 9 commercial customers. The treatment plant is in the process of being replaced, with startup of new facilities planned for 2021. The Authority operates the system using LCA personnel and outside operators.

### **Lowhill Township system**

LCA acquired the Lowhill Township sewer collection system effective April 1, 2016. The system serves 43 residential customers and is comprised of approximately 3,500 feet of 8" PVC sewer.

### **Western Weisenberg system**

The Authority owns and operates a 40,000 GPD wastewater treatment plant at the Arcadia West Industrial Park (AWIP). The new plant serves the AWIP and other properties in the New Smithsville area of Weisenberg Township. Currently there are 16 commercial customers and 1 institutional customer in this system.

### **Lynn Township system**

The budget includes the operation and maintenance of the Lynn Township wastewater system in Lynn Township. The system includes an 80,000 GPD cast in place extended air plant and collection system currently serving approximately 364 residential properties, 20 commercial customers and the

## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Operating Budgets Overview**

Northwestern Lehigh School District Complex. The Authority operates the system using LCA personnel exclusively.

### **Washington Township system**

LCA provides operating services for this system that serves approximately 591 residential and commercial customers in the Slatedale and Emerald areas of Washington Township. Approximately 130,000 GPD of wastewater is conveyed to and treated at the Borough of Slatington's wastewater treatment plant. Ownership of the system remains with Washington Township.

### **LCA Pre-Treatment Plant (PTP)**

LCA took over the operation in May 2006 and ownership in October 2009 of this 5.75 MGD facility built by the County of Lehigh in 1990. Currently the facility provides pre-treatment of high strength waste, predominantly generated by food and beverage industrial customers, along with domestic-strength waste generated by upstream commercial and residential properties located in Lowhill, Weisenberg and Upper Macungie Townships. The PTP also treats hauled waste, which is a significant revenue source for this plant. 2021 revenues are anticipated to increase slightly with an improved waste hauler program in place. The plant is operated through a professional services contract with Jacobs. A 10-year operations contract was negotiated in 2017 with Jacobs (formerly CH2M) to provide significant savings in the operational costs, which will be reinvested in plant capital that is reaching the end of its useful life.

Boston Beer Company (BBC) started brewing operations at the former Pabst Brewery in April 2008. The brewery waste has become a very significant source of both waste and income for the PTP. BBC is the plant's largest customer and continues to increase production annually.

Over the past decade, significant capital investment has been made in the PTP to rehabilitate aging, inefficient and inoperable equipment in anticipation of an increase in industrial wastewater flows and strength, which in turn places added demands on plant equipment. Over the past five years, energy conservation measures have been implemented to reduce electrical demands and improve equipment and operational efficiencies. The projects included the addition of a truck receiving station and the completion of the digester mixer replacements, which increased biogas production and reduced electrical needs. Recently completed projects include the rebuild of two belt filter presses, new grease receiving station, access drive reconstruction, and yard process piping replacements.

## **C. City Division**

### **Water System**

The Authority operates the water system for the City of Allentown under a long term lease/concession agreement. The water system consists of a 30 MGD water treatment plant, (2) water intake structures, (10) storage tanks and reservoirs and (5) pump stations. There are two Water Fund divisions – Treatment Plant Division and Distribution Division. Separate budgets are presented for each division to track and maintain expenses.

Responsibilities for services include monitoring water quality; operating and maintaining the supply sources for the treatment facility, reservoirs, tanks, transmission and distribution pipe networks, customer metering, billing and response to customer service needs.

The consumer base is located throughout the City of Allentown. Water is also provided to surrounding municipalities through the use of system interconnections. Sources of supply include two groundwater sources, namely Schantz Spring and Crystal Spring. In addition, two surface water sources include the Little Lehigh Creek and the Lehigh River. Customer growth in the Allentown Division is expected to be

## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Operating Budgets Overview**

minimal, and there is no expected increase in consumption through the interconnection with the Suburban Division.

Major budget activities place an emphasis on providing consumers with outstanding quality water and service. A Preventive Maintenance Program continues to prolong the useful life of existing facilities and equipment. Programs for valve exercising, leak detection, fire hydrant repair/replacement will continue. Maintenance programs for the treatment plant processes such as filter evaluations, plant equipment repair/replacement will continue to meet the stringent regulations mandated by EPA and DEP. Continued membership with the Partnership for Safe Water Program for the Treatment Plant and Distribution System will provide a means and method for improvement to the overall performance of the system and water quality. Significant activities include:

- Cost effective use of all 4 water sources
- Optimization of the Treatment Process through the Partnership for Safe Water
- Preventative maintenance programs, utilizing the CMMS
- Aggressive leak detection program
- Use/Upgrade of the SCADA system to allow for more cost effective operations
- Long term service contract for reservoir/tank maintenance program
- Enhanced CMMS to maintain cost control
- Fleet management to control/maintain vehicle expenses
- Upgrade/replace aging/ineffective equipment that is beyond its useful life

### **Wastewater System:**

LCA's operation and maintenance responsibilities include the operation of the Kline's Island Wastewater Treatment Plant and the portion of the collection system that resides in the geographic boundaries of the City of Allentown. There are two Wastewater System budgets – the Treatment Plant budget and Collection System budget. Separate budgets are presented to track and maintain expenses for improved cost control as well as to implement cost-sharing rates with the 14 municipalities that utilize the system outside the City of Allentown. Rate setting for the municipalities is established via service contracts that specify how operating, maintenance and capital costs are distributed.

The 2021 Budget was developed to provide compliance with applicable regulatory requirements utilizing recognized operational, maintenance and industrial pretreatment procedures to effectively convey and process the wastewater generated in the service area of the treatment facility. Compliance with the Standards of Practice established as part of the concession and lease agreement with the City of Allentown will be an on-going and essential focus for the wastewater staff of the city division.

## Consolidated Statements

**LEHIGH COUNTY AUTHORITY**  
**FINANCIAL SUMMARY**  
**2021 Budget and Comparative Prior Period Data**

| <b>Budget Overview</b>                        | <b>Sub. Water</b> | <b>Sub. Wastewater</b> | <b>City Division</b> | <b>Total</b> |
|---|-------------------|------------------------|----------------------|--------------|
| Operating, Non-Operating & Other Revenue      | 12,836,751        | 20,223,056             | 44,066,704           | 77,126,511   |
| Operating Expenses (net of depreciation)      | 8,637,776         | 13,248,399             | 20,170,389           | 42,056,564   |
| Net Revenues Available for Debt Service       | 4,198,975         | 6,974,657              | 23,896,315           | 35,069,947   |
| Debt Service                                  | 3,499,146         | 731,029                | 14,115,086           | 18,345,261   |
| Debt Service Coverage Ratio (indenture based) | 1.20              | 9.54                   | 1.69                 | 1.91         |

| <b>Capital Budget Overview</b>                 | <b>Sub. Water</b> | <b>Sub. Water</b> | <b>Sub. Water</b> | <b>Total</b> |
|--|-------------------|-------------------|-------------------|--------------|
| Capital Expenses                               | 4,190,000         | 3,921,800         | 8,877,500         | 16,989,300   |
| Funding from 2021 Revenue & Operating Reserves | 4,190,000         | 3,749,781         | 8,877,500         | 16,817,281   |
| Funding from Existing Project Reserves         | -                 | 172,019           | -                 | 172,019      |
| Funding from New Borrowing                     | -                 | -                 | -                 | -            |
| Year-End Project Reserve Balance               | -                 | 2,500,000         | 169,980           | 2,669,980    |

| <b>Total Cash Flow</b>                             | <b>Sub. Water</b> | <b>Sub. Water</b> | <b>City Division</b> | <b>Total</b>       |
|--|-------------------|-------------------|----------------------|--------------------|
| Beginning Operations Cash Balance (2020 forecast)  | 6,700,850         | 6,993,901         | 6,167,443            | 19,862,194         |
| 2021 Surplus                                       | 699,829           | 6,243,627         | 13,541,047           | 20,484,503         |
| Provided From (To) Capital                         | (4,190,000)       | (3,749,781)       | (8,877,500)          | (16,817,281)       |
| Ending Operations Cash Balance                     | 3,210,679         | 9,487,747         | 10,830,990           | 23,529,416         |
| Operating Days Cash on Hand                        | 136               | 243               | 181                  | 192                |
| Project Reserve Balance                            | -                 | 2,500,000         | 100,000              | 2,600,000          |
| Other Reserves & Investments (includes restricted) | 10,948,484        | 8,095,208         | 55,676,307           | 74,719,999         |
| <b>Ending Total Fund Balance - 2021 Budget</b>     | <b>14,159,163</b> | <b>20,082,955</b> | <b>66,607,297</b>    | <b>100,849,415</b> |
| <b>Ending Total Fund Balance - 2020 Forecast</b>   | <b>17,649,334</b> | <b>17,761,128</b> | <b>61,943,750</b>    | <b>97,354,212</b>  |

**LEHIGH COUNTY AUTHORITY**  
**RESERVES SUMMARY**  
**2021 Budget and Comparative Prior Period Data**

|   | <b>Sub W</b>     | <b>Sub WW</b>     | <b>City</b>        | <b>Total</b>      |
|---|------------------|-------------------|--------------------|-------------------|
| Operating Expenses for DCOH                         | 8,641,176        | 14,248,399        | 21,882,064         | 44,771,639        |
| Cash  | 136              | 243               | 181                | 192               |
| Cash + Invest                                       | 226              | 416               | 181                | 264               |
| <b>RESERVES EVALUATION</b>                          |                  |                   |                    |                   |
| Cash + Investment Balances                          | 6,347,609        | 19,745,023        | 10,930,990         | 37,023,622        |
| Operating Reserve Requirement                       |                  |                   |                    |                   |
| Reserve %   | 50.00%           | 50.00%            | 50.00%             | 50.00%            |
| Reserve Amount Required                             | 4,320,588        | 7,124,200         | 10,941,032         | 22,385,820        |
| <b>EXCESS (SHORTAGE) AGAINST OPERATING RESERVES</b> | <b>2,027,021</b> | <b>12,620,823</b> | <b>(10,042)</b>    | <b>14,637,802</b> |
| Capital Reserve Requirement                         |                  |                   |                    |                   |
| Depreciation Expense                                | 2,605,699        | 4,616,783         | 5,893,862          | 13,116,344        |
| Replacement Rate                                    | 1.50             | 1.50              | 1.50               | 1.50              |
| Reinvestment  | 3,908,549        | 6,925,175         | 8,840,793          | 19,674,517        |
| Reserve %   | 50.00%           | 100.00%           | 25.00%             | 56.37%            |
| Reserve Amount Required                             | 1,954,275        | 6,925,175         | 2,210,198          | 11,089,648        |
| <b>EXCESS (SHORTAGE) AGAINST CAPITAL RESERVES</b>   | <b>72,746</b>    | <b>5,695,648</b>  | <b>(2,220,240)</b> | <b>3,548,154</b>  |

**LEHIGH COUNTY AUTHORITY**  
**BUDGET OVERVIEW SUMMARY**  
**2021 Budget and Comparative Prior Period Data**

|  | SUBURBAN WATER |                 |               | SUBURBAN WASTEWATER |                 |               | CITY DIVISION  |                 |               | TOTAL LCA      |                 |               |
|--|----------------|-----------------|---------------|---------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| <b>Budget Overview</b>                             | <b>Current</b> | <b>Previous</b> | <b>Change</b> | <b>Current</b>      | <b>Previous</b> | <b>Change</b> | <b>Current</b> | <b>Previous</b> | <b>Change</b> | <b>Current</b> | <b>Previous</b> | <b>Change</b> |
| Operating, Non-Operating & Other Revenue           | 12,836,751     | 12,532,891      | 303,860       | 20,223,056          | 20,223,056      | -             | 44,066,704     | 44,066,704      | -             | 77,126,511     | 76,822,651      | 303,860       |
| Operating Expenses (net of depreciation)           | 8,637,776      | 8,637,776       | -             | 13,248,399          | 13,248,399      | -             | 20,170,389     | 19,425,389      | 745,000       | 42,056,564     | 41,311,564      | 745,000       |
| Net Revenues Available for Debt Service            | 4,198,975      | 3,895,115       | 303,860       | 6,974,657           | 6,974,657       | -             | 23,896,315     | 24,641,315      | (745,000)     | 35,069,947     | 35,511,087      | (441,140)     |
| Debt Service                                       | 3,499,146      | 3,499,146       | -             | 731,029             | 731,029         | -             | 14,115,086     | 13,984,318      | (130,768)     | 18,345,261     | 18,214,493      | (130,768)     |
| Debt Service Coverage Ratio (indenture based)      | 1.20           | 1.11            | 0.09          | 9.54                | 9.54            | -             | 1.69           | 1.76            | (0.07)        | 1.91           | 1.95            | (0.04)        |
| <b>Capital Budget Overview</b>                     |                |                 |               |                     |                 |               |                |                 |               |                |                 |               |
| Capital Spending                                   | 4,190,000      | 3,460,000       | 730,000       | 3,921,800           | 3,921,800       | -             | 8,877,500      | 8,077,500       | 800,000       | 16,989,300     | 15,459,300      | 1,530,000     |
| Funding from 2021 Revenue & Operating Reserves     | 4,190,000      | 3,460,000       | 730,000       | 3,749,781           | 3,749,781       | -             | 8,877,500      | 8,077,500       | 800,000       | 16,817,281     | 15,287,281      | 1,530,000     |
| Funding from Existing Project Reserves             | -              | -               | -             | 172,019             | 172,019         | -             | -              | -               | -             | 172,019        | 172,019         | -             |
| Funding from New Borrowing                         | -              | -               | -             | -                   | -               | -             | -              | -               | -             | -              | -               | -             |
| Year-End Project Reserve Balance                   | -              | -               | -             | 2,500,000           | 2,500,000       | -             | 169,980        | 169,980         | -             | 2,669,980      | 2,669,980       | -             |
| <b>Total Cash Flow</b>                             |                |                 |               |                     |                 |               |                |                 |               |                |                 |               |
| Beginning Operations Cash Balance (2019 forecast)  | 6,700,850      | 6,700,850       | -             | 6,993,901           | 6,993,901       | -             | 6,167,443      | 6,167,443       | -             | 19,862,194     | 19,862,194      | -             |
| 2021 Surplus (deficit)                             | 699,829        | 395,969         | 303,860       | 6,243,627           | 6,243,627       | -             | 13,541,047     | 13,541,047      | -             | 20,484,503     | 20,180,643      | 303,860       |
| Provided From (To) Capital                         | (4,190,000)    | (3,460,000)     | (730,000)     | (3,749,781)         | (3,749,781)     | -             | (8,877,500)    | (8,077,500)     | (800,000)     | (16,817,281)   | (15,287,281)    | (1,530,000)   |
| Ending Operations Cash Balance                     | 3,210,679      | 3,636,819       | (426,140)     | 9,487,747           | 9,487,747       | -             | 10,830,990     | 11,630,990      | (800,000)     | 23,529,416     | 24,755,556      | (1,226,140)   |
| Operating Days Cash on Hand                        | 136            | 154             | (18)          | 243                 | 243             | -             | 181            | 201             | (20)          | 192            | 205             | (13)          |
| Project Reserve Balance                            | -              | -               | -             | 2,500,000           | 2,500,000       | -             | 100,000        | 100,000         | -             | 2,600,000      | 2,600,000       | -             |
| Other Reserves & Investments (includes restricted) | 10,948,484     | 10,948,484      | -             | 8,095,208           | 8,095,208       | -             | 55,676,307     | 55,676,307      | -             | 74,719,999     | 74,719,999      | -             |
| Ending Total Fund Balance - 2021 Budget            | 14,159,163     | 14,585,303      | (426,140)     | 20,082,955          | 20,082,955      | -             | 66,607,297     | 67,407,297      | (800,000)     | 100,849,415    | 102,075,555     | (1,226,140)   |
| Ending Total Fund Balance - 2020 Forecast          | 17,649,334     | 17,649,334      |               | 17,761,128          | 17,761,128      |               | 61,943,750     | 61,943,750      |               | 97,354,212     | 97,354,212      |               |



**LEHIGH COUNTY AUTHORITY**  
**STATEMENTS OF NET POSITION**  
**2021 Budget and Comparative Prior Period Data**

|   | Suburban Water      |                     |                     |                     | Suburban Wastewater |                     |                     |                     | City Division      |                    |                    |                    | Total LCA            |                      |                      |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|---------------------|
|   | Budget 2021         | Forecast 2020       | Budget 2020         | Actual 2019         | Budget 2021         | Forecast 2020       | Budget 2020         | Actual 2019         | Budget 2021        | Forecast 2020      | Budget 2020        | Actual 2019        | Budget 2021          | Forecast 2020        | Budget 2020          | Actual 2019         |
| <b>Current Assets:</b>                                      |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| Cash and Cash Equivalents                                   | 3,210,679           | 6,700,850           | 9,701,644           | 9,242,611           | 11,987,747          | 9,665,920           | 24,669,763          | 7,057,187           | 19,808,346         | 15,144,799         | 9,918,160          | 12,660,402         | 35,006,772           | 31,511,568           | 44,289,567           | 28,960,200          |
| Certificates of Deposit                                     | 3,136,930           | 3,136,930           | 1,785,733           | 3,136,930           | 7,757,276           | 7,757,276           | -                   | 7,757,276           | -                  | -                  | -                  | -                  | 10,894,206           | 10,894,206           | 1,785,733            | 10,894,206          |
| Accounts Receivable:  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | -                    | -                    | -                    | -                   |
| Customers (Net of Allowance)                                | 1,760,403           | 1,760,403           | 1,652,884           | 1,760,403           | 3,188,238           | 3,188,238           | 4,118,091           | 3,188,238           | 6,542,331          | 7,142,331          | 6,606,583          | 6,542,331          | 11,490,972           | 12,090,972           | 12,377,558           | 11,490,972          |
| Financing Contracts   | -                   | -                   | -                   | -                   | 323,767             | 323,767             | 316,797             | 323,767             | -                  | -                  | -                  | -                  | 323,767              | 323,767              | 316,797              | 323,767             |
| Others  | 280,007             | 280,007             | 203,148             | 280,007             | 675,091             | 675,091             | 509,247             | 675,091             | 2,941,090          | 2,941,090          | 4,147,552          | 2,941,090          | 3,896,188            | 3,896,188            | 4,859,947            | 3,896,188           |
| Due from (to) Other Funds                                   | 1,599,692           | 1,599,692           | -                   | 1,599,692           | (1,570,176)         | (1,570,176)         | 2,817,997           | (1,570,176)         | (29,516)           | (29,516)           | -                  | (29,516)           | -                    | -                    | 2,817,997            | -                   |
| Inventory   | 36,074              | 36,074              | 16,190              | 36,074              | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | 36,074               | 36,074               | 16,190               | 36,074              |
| Accrued Interest Receivable                                 | 6,411               | 6,411               | 14,724              | 6,411               | 39,898              | 39,898              | 23,832              | 39,898              | 56,425             | 56,425             | 100,851            | 56,425             | 102,734              | 102,734              | 139,407              | 102,734             |
| Prepaid Expenses  | 185,993             | 185,993             | 198,131             | 185,993             | 131,300             | 131,300             | 123,026             | 131,300             | 414,562            | 414,562            | 374,996            | 414,562            | 731,855              | 731,855              | 696,153              | 731,855             |
| <b>Total Current Assets</b>                                 | <b>10,216,189</b>   | <b>13,706,360</b>   | <b>13,572,454</b>   | <b>16,248,121</b>   | <b>22,533,141</b>   | <b>20,211,314</b>   | <b>32,578,753</b>   | <b>17,602,581</b>   | <b>29,733,238</b>  | <b>25,669,691</b>  | <b>21,148,142</b>  | <b>22,585,294</b>  | <b>62,482,568</b>    | <b>59,587,364</b>    | <b>67,299,349</b>    | <b>56,435,996</b>   |
| <b>Noncurrent Assets:</b>                                   |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| <b>Restricted:</b>  |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| Restricted Cash and Cash Equivalents                        | 2,532,181           | 2,532,181           | 203,046             | 2,532,181           | 337,932             | 337,932             | 337,562             | 337,932             | 9,114,754          | 9,114,754          | 9,807,084          | 9,114,754          | 11,984,867           | 11,984,867           | 10,347,692           | 11,984,867          |
| Restricted for Debt Service                                 | 1,043,094           | 1,043,094           | 1,380,654           | 1,043,094           | -                   | -                   | -                   | -                   | 37,684,197         | 37,684,197         | 37,684,197         | 37,684,197         | 38,727,291           | 38,727,291           | 39,064,851           | 38,727,291          |
| Restricted Certificates of Deposit                          | 25,527              | 25,527              | 25,522              | 25,527              | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | 25,527               | 25,527               | 25,522               | 25,527              |
| Investment U.S. Treasury Obligations                        | -                   | -                   | 2,214,267           | -                   | -                   | -                   | -                   | -                   | 24,117,855         | 25,297,674         | 3,940,640          | -                  | 24,117,855           | 25,297,674           | 6,154,907            | -                   |
| Developer Escrow Deposit                                    | 4,210,752           | 4,210,752           | 4,386,200           | 4,210,752           | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | 4,210,752            | 4,210,752            | 4,386,200            | 4,210,752           |
| <b>Total Restricted Assets</b>                              | <b>7,811,554</b>    | <b>7,811,554</b>    | <b>8,209,689</b>    | <b>7,811,554</b>    | <b>337,932</b>      | <b>337,932</b>      | <b>337,562</b>      | <b>337,932</b>      | <b>70,916,806</b>  | <b>72,096,625</b>  | <b>51,431,921</b>  | <b>46,798,951</b>  | <b>79,066,292</b>    | <b>80,246,111</b>    | <b>59,979,172</b>    | <b>54,948,437</b>   |
| <b>Capital Assets</b>                                       |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| <b>Non-depreciable Assets:</b>                              |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| Land  | 2,114,884           | 2,114,884           | 2,043,265           | 2,114,884           | 1,888,430           | 1,888,430           | 1,837,891           | 1,888,430           | -                  | -                  | -                  | -                  | 4,003,314            | 4,003,314            | 3,881,156            | 4,003,314           |
| Construction in Progress                                    | 21,015,645          | 16,825,645          | 5,023,631           | 12,504,370          | 27,366,955          | 23,445,155          | 10,052,683          | 18,974,421          | 11,871,364         | 2,993,864          | -                  | -                  | 60,253,964           | 43,264,664           | 15,076,314           | 31,478,791          |
| <b>Total Capital Assets Not Being Depreciated</b>           | <b>23,130,529</b>   | <b>18,940,529</b>   | <b>7,066,896</b>    | <b>14,619,254</b>   | <b>29,255,385</b>   | <b>25,333,585</b>   | <b>11,890,574</b>   | <b>20,862,851</b>   | <b>11,871,364</b>  | <b>2,993,864</b>   | <b>-</b>           | <b>-</b>           | <b>64,257,278</b>    | <b>47,267,978</b>    | <b>18,957,470</b>    | <b>35,482,105</b>   |
| <b>Depreciable Assets:</b>                                  |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| Wells & Reservoirs  | 9,709,252           | 9,709,252           | 9,554,770           | 9,709,252           | 3,494,643           | 3,494,643           | 3,494,643           | 3,494,643           | -                  | -                  | -                  | -                  | 13,203,895           | 13,203,895           | 13,049,413           | 13,203,895          |
| Transmission & Distribution Mains                           | 80,498,411          | 80,498,411          | 78,963,688          | 80,498,411          | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | 80,498,411           | 80,498,411           | 78,963,688           | 80,498,411          |
| Services & Hydrants   | 17,571,410          | 17,571,410          | 17,144,642          | 17,571,410          | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | 17,571,410           | 17,571,410           | 17,144,642           | 17,571,410          |
| Interceptor & Collector Systems                             | -                   | -                   | -                   | -                   | 38,259,619          | 38,259,619          | 38,036,405          | 38,259,619          | -                  | -                  | -                  | -                  | 38,259,619           | 38,259,619           | 38,036,405           | 38,259,619          |
| Building Structure & Appurtenances                          | 23,797,378          | 23,797,378          | 23,632,286          | 23,797,378          | 55,828,047          | 55,828,047          | 54,910,406          | 55,828,047          | -                  | -                  | -                  | -                  | 79,625,425           | 79,625,425           | 78,542,692           | 79,625,425          |
| Metering System   | 10,672,043          | 10,672,043          | 10,539,291          | 10,672,043          | 429,778             | 429,778             | 429,777             | 429,778             | -                  | -                  | -                  | -                  | 11,101,821           | 11,101,821           | 10,969,068           | 11,101,821          |
| Equipment and Furnishings                                   | 7,769,506           | 7,769,506           | 23,553,963          | 7,769,506           | 23,175,902          | 23,175,902          | 39,446,165          | 23,175,902          | 3,268,879          | 3,268,879          | 8,488,911          | 3,268,879          | 34,214,287           | 34,214,287           | 71,471,039           | 34,214,287          |
| Capacity  | 1,207,901           | 1,207,901           | 1,207,901           | 1,207,901           | 953,831             | 953,831             | 2,062,956           | 953,831             | -                  | -                  | -                  | -                  | 2,161,732            | 2,161,732            | 3,270,857            | 2,161,732           |
| <b>Total Capital Assets Being Depreciated</b>               | <b>151,225,901</b>  | <b>151,225,901</b>  | <b>164,578,541</b>  | <b>151,225,901</b>  | <b>122,141,820</b>  | <b>122,141,820</b>  | <b>138,380,352</b>  | <b>122,141,820</b>  | <b>3,268,879</b>   | <b>3,268,879</b>   | <b>8,488,911</b>   | <b>3,268,879</b>   | <b>276,636,600</b>   | <b>276,636,600</b>   | <b>311,447,804</b>   | <b>276,636,600</b>  |
| <b>Less accumulated depreciation</b>                        |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| Wells & Reservoirs  | (3,365,888)         | (3,365,888)         | (3,365,888)         | (3,365,888)         | (603,220)           | (603,220)           | (603,220)           | (603,220)           | -                  | -                  | -                  | -                  | (3,969,108)          | (3,969,108)          | (3,969,108)          | (3,969,108)         |
| Transmission & Distribution Mains                           | (13,722,746)        | (13,722,746)        | (13,722,746)        | (13,722,746)        | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | (13,722,746)         | (13,722,746)         | (13,722,746)         | (13,722,746)        |
| Services & Hydrants   | (4,580,883)         | (4,580,883)         | (4,580,883)         | (4,580,883)         | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | (4,580,883)          | (4,580,883)          | (4,580,883)          | (4,580,883)         |
| Interceptor & Collector Systems                             | -                   | -                   | -                   | -                   | (11,136,593)        | (11,136,593)        | (11,136,593)        | (11,136,593)        | -                  | -                  | -                  | -                  | (11,136,593)         | (11,136,593)         | (11,136,593)         | (11,136,593)        |
| Building Structure & Appurtenances                          | (9,294,442)         | (9,294,442)         | (9,294,442)         | (9,294,442)         | (20,126,163)        | (20,126,163)        | (20,126,163)        | (20,126,163)        | (8,762)            | (8,762)            | -                  | (8,762)            | (29,429,367)         | (29,429,367)         | (29,420,605)         | (29,429,367)        |
| Metering System   | (5,332,817)         | (5,332,817)         | (5,332,817)         | (5,332,817)         | (264,381)           | (264,381)           | (264,381)           | (264,381)           | -                  | -                  | -                  | -                  | (5,597,198)          | (5,597,198)          | (5,597,198)          | (5,597,198)         |
| Equipment and Furnishings                                   | (11,257,659)        | (8,651,960)         | (8,928,793)         | (6,007,460)         | (29,360,103)        | (24,743,320)        | (24,765,358)        | (20,076,068)        | (3,065,282)        | (2,737,920)        | (8,453,447)        | (2,424,420)        | (43,683,043)         | (36,133,200)         | (42,147,598)         | (28,507,948)        |
| Capacity  | (751,043)           | (751,043)           | (751,043)           | (751,043)           | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | (751,043)            | (751,043)            | (751,043)            | (751,043)           |
| <b>Total Accumulated Depreciation</b>                       | <b>(48,305,478)</b> | <b>(45,699,779)</b> | <b>(45,976,612)</b> | <b>(43,055,279)</b> | <b>(61,490,460)</b> | <b>(56,873,677)</b> | <b>(56,895,715)</b> | <b>(52,206,425)</b> | <b>(3,074,044)</b> | <b>(2,746,682)</b> | <b>(8,453,447)</b> | <b>(2,433,182)</b> | <b>(112,869,982)</b> | <b>(105,320,138)</b> | <b>(111,325,774)</b> | <b>(97,694,886)</b> |
| <b>Total Capital Assets</b>                                 | <b>126,050,953</b>  | <b>124,466,651</b>  | <b>125,668,825</b>  | <b>122,789,876</b>  | <b>89,906,745</b>   | <b>90,601,728</b>   | <b>93,375,211</b>   | <b>90,798,246</b>   | <b>12,066,198</b>  | <b>3,516,061</b>   | <b>35,464</b>      | <b>835,697</b>     | <b>228,023,896</b>   | <b>218,584,440</b>   | <b>219,079,500</b>   | <b>214,423,819</b>  |
| <b>Other Assets:</b>  |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| Long-Term Portion of Receivables - Financing Contracts      | -                   | -                   | -                   | -                   | 1,532,516           | 1,532,516           | 1,856,283           | 1,532,516           | -                  | -                  | -                  | -                  | 1,532,516            | 1,532,516            | 1,856,283            | 1,532,516           |
| Intangible Service Concession Arrangement                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 235,559,576        | 241,126,076        | 232,056,776        | 241,126,076        | 235,559,576          | 241,126,076          | 232,056,776          | 241,126,076         |
| Less Accumulated Amortization                               | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | (5,566,500)        | (5,566,500)        | -                  | -                  | (5,566,500)          | (5,566,500)          | -                    | -                   |
| OPEB Asset  | 1,244,053           | 1,244,053           | 736,708             | 1,244,053           | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | 1,244,053            | 1,244,053            | 736,708              | 1,244,053           |
| Other Assets  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 3,216,983          | 3,216,983          | 1,902,429          | 3,216,983          | 3,216,983            | 3,216,983            | 3,012,429            | 3,216,983           |
| Facilities Planning Costs (Net of Accumulated Amortization) | 24,442              | 24,442              | 24,749              | 24,442              | 58,589              | 58,589              | 102,827             | 58,589              | -                  | -                  | -                  | -                  | 83,031               | 83,031               | 127,576              | 83,031              |
| <b>Total Other Assets</b>                                   | <b>1,268,495</b>    | <b>1,268,495</b>    | <b>761,457</b>      | <b>1,268,495</b>    | <b>1,591,105</b>    | <b>1,591,105</b>    | <b>1,959,110</b>    | <b>1,591,105</b>    | <b>233,210,059</b> | <b>238,776,559</b> | <b>233,959,205</b> | <b>244,343,059</b> | <b>236,069,659</b>   | <b>241,636,159</b>   | <b>236,679,772</b>   | <b>247,202,659</b>  |
| <b>Total Noncurrent Assets</b>                              | <b>135,131,002</b>  | <b>133,546,700</b>  | <b>134,639,971</b>  | <b>131,869,925</b>  | <b>91,835,782</b>   | <b>92,530,765</b>   | <b>95,671,883</b>   | <b>92,727,283</b>   | <b>316,193,063</b> | <b>314,389,245</b> | <b>285,426,590</b> | <b>291,977,707</b> | <b>543,159,847</b>   | <b>540,466,710</b>   | <b>515,738,444</b>   | <b>516,574,915</b>  |
| <b>Total Assets</b>   | <b>145,347,190</b>  | <b>147,253,060</b>  | <b>148,212,425</b>  | <b>148,118,046</b>  | <b>114,368,924</b>  | <b>112,742,079</b>  | <b>128,250,636</b>  | <b>110,329,864</b>  | <b>345,926,301</b> | <b>340,058,936</b> | <b>306,574,732</b> | <b>314,563,001</b> | <b>605,642,415</b>   | <b>600,054,074</b>   | <b>583,037,793</b>   | <b>573,010,911</b>  |
| <b>Deferred Outflows of Resources</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |
| Pensions  | 679,620             | 679,620             | 883,237             | 679,620             | 342,115             | 342,115             | 256,424             | 342,115             | 2,523,498          | 2,523,498          | 1,891,432          | 2,523,498          | 3,545,233            | 3,545,233            | 3,031,093            | 3,545,233           |
| OPEB  | 56,117              | 56,117              | -                   | 56,117              | -                   | -                   | -                   | -                   | 662,093            | 662,093            | -                  | 662,093            | 718,210              | 718,210              | -                    | 718,210             |
| Refunding Loss on Bonds                                     | 24,954              | 24,954              | 118,891             | 24,954              | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  | 24,954               | 24,954               | 118,891              | 24,954              |
| <b>Total Deferred Outflows</b>                              | <b>760,691</b>      | <b>760,691</b>      | <b>1,002,128</b>    | <b>760,691</b>      | <b>342,115</b>      | <b>342,115</b>      | <b>256,424</b>      | <b>342,115</b>      | <b>3,185,591</b>   | <b>3,185,591</b>   | <b>1,891,432</b>   | <b>3,185,591</b>   | <b>4,288,397</b>     | <b>4,288,397</b>     | <b>3,149,984</b>     | <b>4,288,397</b>    |
| <b>Total Assets and Deferred Outflows of Resources</b>      | <b>146,107,881</b>  | <b>148,013,751</b>  | <b>149,214,553</b>  |                     |                     |                     |                     |                     |                    |                    |                    |                    |                      |                      |                      |                     |

**LEHIGH COUNTY AUTHORITY**  
**STATEMENTS OF NET POSITION**  
**2021 Budget and Comparative Prior Period Data**

|  | Suburban Water     |                    |                    |                    | Suburban Wastewater |                    |                    |                    | City Division       |                     |                     |                     | Total LCA          |                    |                    |                    |
|--|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|--------------------|
|  | Budget 2021        | Forecast 2020      | Budget 2020        | Actual 2019        | Budget 2021         | Forecast 2020      | Budget 2020        | Actual 2019        | Budget 2021         | Forecast 2020       | Budget 2020         | Actual 2019         | Budget 2021        | Forecast 2020      | Budget 2020        | Actual 2019        |
| <b>Current Liabilities:</b>  |                    |                    |                    |                    |                     |                    |                    |                    |                     |                     |                     |                     |                    |                    |                    |                    |
| Accounts Payable - Trade   | 1,381,509          | 1,378,109          | 1,048,854          | 1,374,709          | 4,819,043           | 3,819,043          | 2,434,731          | 2,819,043          | 2,828,820           | 2,285,896           | 2,098,809           | 997,972             | 9,029,372          | 7,483,048          | 5,582,394          | 5,191,724          |
| Accounts Payable - Capital   | 246,336            | 246,336            | 70,921             | 246,336            | 312,403             | 312,403            | 150,835            | 312,403            | 2,010,714           | 10,714              | 149,529             | 10,714              | 2,569,453          | 569,453            | 371,285            | 569,453            |
| Accrued Interest Payable   | 233,600            | 233,600            | 237,699            | 233,600            | 3,346               | 3,346              | 3,346              | 3,346              | 1,105,780           | 1,105,780           | 1,128,362           | 1,105,780           | 1,342,726          | 1,342,726          | 1,369,407          | 1,342,726          |
| Notes Payable  | 257,775            | 253,032            | 243,812            | 248,378            | 443,723             | 434,775            | 420,205            | 427,162            | -                   | -                   | -                   | -                   | 701,498            | 687,807            | 664,017            | 675,540            |
| Revenue Bonds Payable  | 1,889,764          | 1,839,786          | 1,473,132          | 1,832,994          | 118,358             | 114,259            | 65,572             | 114,905            | 1,661,079           | 2,461,487           | 1,230,893           | 1,837,406           | 3,669,201          | 4,415,532          | 2,769,597          | 3,785,305          |
| Developer Deposits and Other   | 554,977            | 554,977            | 195,273            | 554,977            | 2,950               | 2,950              | 6,019              | 2,950              | 19,805              | 19,805              | 26,016              | 19,805              | 577,732            | 577,732            | 227,308            | 577,732            |
| Accrued Payroll & Other  | 226,234            | 226,234            | 220,498            | 226,234            | 132,867             | 132,867            | 136,100            | 132,867            | 494,941             | 494,941             | 509,717             | 494,941             | 854,042            | 854,042            | 866,315            | 854,042            |
| <b>Total Current Liabilities</b>   | <b>4,790,195</b>   | <b>4,732,074</b>   | <b>3,490,189</b>   | <b>4,717,228</b>   | <b>5,832,690</b>    | <b>4,819,643</b>   | <b>3,216,808</b>   | <b>3,812,676</b>   | <b>8,121,139</b>    | <b>6,378,623</b>    | <b>5,143,326</b>    | <b>4,466,618</b>    | <b>18,744,024</b>  | <b>15,930,340</b>  | <b>11,850,323</b>  | <b>12,996,522</b>  |
| <b>Noncurrent Liabilities:</b>   |                    |                    |                    |                    |                     |                    |                    |                    |                     |                     |                     |                     |                    |                    |                    |                    |
| Developer Deposits and Other   | 4,210,752          | 4,210,752          | 4,974,553          | 4,210,752          | 19,064              | 19,064             | -                  | 19,064             | 10,000              | 10,000              | -                   | 10,000              | 4,239,816          | 4,239,816          | 4,974,553          | 4,239,816          |
| Service Concession Arrangement Payable                                   | -                  | -                  | -                  | -                  | -                   | -                  | -                  | -                  | 49,168,997          | 48,227,748          | 46,842,091          | 47,694,490          | 49,168,997         | 48,227,748         | 46,842,091         | 47,694,490         |
| Notes Payable  | 1,727,302          | 1,985,077          | 2,486,487          | 2,238,109          | 4,723,957           | 5,167,680          | 6,029,617          | 5,602,455          | -                   | -                   | -                   | -                   | 6,451,259          | 7,152,757          | 8,516,104          | 7,840,564          |
| OPEB Liability   | -                  | -                  | -                  | -                  | -                   | -                  | -                  | -                  | 2,944,923           | 2,944,923           | 2,020,079           | 2,944,923           | 2,944,923          | 2,944,923          | 2,020,079          | 2,944,923          |
| Net Pension Liability  | 956,221            | 956,221            | 336,866            | 956,221            | 481,353             | 481,353            | 351,481            | 481,353            | 3,550,538           | 3,550,538           | 1,250,814           | 3,550,538           | 4,988,112          | 4,988,112          | 1,939,161          | 4,988,112          |
| Revenue Bonds Payable(Net of Premium/Discount)                           | 31,797,039         | 33,686,803         | 38,943,024         | 35,526,589         | 1,134,475           | 1,252,833          | 22,832,476         | 1,367,092          | 344,325,374         | 342,007,464         | 311,169,773         | 314,470,387         | 377,256,888        | 376,947,100        | 372,945,273        | 351,364,068        |
| <b>Total Noncurrent Liabilities</b>                                      | <b>38,691,314</b>  | <b>40,838,853</b>  | <b>46,740,830</b>  | <b>42,931,671</b>  | <b>6,358,849</b>    | <b>6,920,930</b>   | <b>29,213,574</b>  | <b>7,469,964</b>   | <b>399,999,832</b>  | <b>396,740,673</b>  | <b>361,282,757</b>  | <b>368,670,338</b>  | <b>445,049,995</b> | <b>444,500,456</b> | <b>437,237,261</b> | <b>419,071,973</b> |
| <b>Total Liabilities</b>   | <b>43,481,509</b>  | <b>45,570,927</b>  | <b>50,231,119</b>  | <b>47,648,899</b>  | <b>12,191,539</b>   | <b>11,740,573</b>  | <b>32,430,382</b>  | <b>11,282,640</b>  | <b>408,120,971</b>  | <b>403,119,296</b>  | <b>366,426,083</b>  | <b>373,136,956</b>  | <b>463,794,019</b> | <b>460,430,796</b> | <b>449,087,584</b> | <b>432,068,495</b> |
| <b>Deferred Inflows of Resources</b>                                     |                    |                    |                    |                    |                     |                    |                    |                    |                     |                     |                     |                     |                    |                    |                    |                    |
| Pensions   | -                  | -                  | -                  | -                  | -                   | -                  | -                  | -                  | -                   | -                   | -                   | -                   | -                  | -                  | -                  | -                  |
| OPEB   | 119,297            | 119,297            | 361,361            | 119,297            | -                   | -                  | -                  | -                  | -                   | -                   | 1,341,769           | -                   | 119,297            | 119,297            | 1,703,130          | 119,297            |
| <b>Total Deferred Inflows</b>  | <b>119,297</b>     | <b>119,297</b>     | <b>361,361</b>     | <b>119,297</b>     | <b>-</b>            | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>            | <b>-</b>            | <b>1,341,769</b>    | <b>-</b>            | <b>119,297</b>     | <b>119,297</b>     | <b>1,703,130</b>   | <b>119,297</b>     |
| <b>Net Position:</b>   |                    |                    |                    |                    |                     |                    |                    |                    |                     |                     |                     |                     |                    |                    |                    |                    |
| Net Investment in Capital Assets   | 126,050,953        | 124,466,651        | 125,668,825        | 122,789,876        | 89,906,745          | 90,601,728         | 93,375,211         | 90,798,246         | 12,066,198          | 3,516,061           | 35,464              | 835,697             | 228,023,896        | 218,584,440        | 219,079,500        | 214,423,819        |
| Restricted for Debt Service  | 1,043,094          | 1,043,094          | 1,380,654          | 1,043,094          | -                   | -                  | -                  | -                  | 37,684,197          | 37,684,197          | 37,684,197          | 37,684,197          | 38,727,291         | 38,727,291         | 39,064,851         | 38,727,291         |
| Unrestricted   | (24,586,971)       | (23,186,218)       | (28,427,406)       | (22,722,429)       | 12,612,754          | 10,741,893         | 2,701,467          | 8,591,093          | (108,759,474)       | (101,075,027)       | (97,021,349)        | (93,908,258)        | (120,733,691)      | (113,519,353)      | (122,747,288)      | (108,039,594)      |
| <b>Total Net Position</b>  | <b>102,507,075</b> | <b>102,323,527</b> | <b>98,622,073</b>  | <b>101,110,541</b> | <b>102,519,500</b>  | <b>101,343,621</b> | <b>96,076,678</b>  | <b>99,389,339</b>  | <b>(59,009,078)</b> | <b>(59,874,770)</b> | <b>(59,301,688)</b> | <b>(55,388,364)</b> | <b>146,017,497</b> | <b>143,792,378</b> | <b>135,397,063</b> | <b>145,111,516</b> |
| <b>Total Liabilities, Deferred Inflows of Resources and Net Position</b> | <b>146,107,881</b> | <b>148,013,751</b> | <b>149,214,553</b> | <b>148,878,737</b> | <b>114,711,039</b>  | <b>113,084,194</b> | <b>128,507,060</b> | <b>110,671,979</b> | <b>349,111,892</b>  | <b>343,244,527</b>  | <b>308,466,164</b>  | <b>317,748,592</b>  | <b>609,930,812</b> | <b>604,342,471</b> | <b>586,187,777</b> | <b>577,299,308</b> |

LEHIGH COUNTY AUTHORITY  
CASH & INVESTMENT SUMMARY  
2021 Budget and Comparative Prior Period Data

|                            | Suburban Water |               |             |             | Suburban Wastewater |               |             |             | City Division |               |             |             | Total LCA   |               |             |             |
|----------------------------|----------------|---------------|-------------|-------------|---------------------|---------------|-------------|-------------|---------------|---------------|-------------|-------------|-------------|---------------|-------------|-------------|
|                            | Budget 2021    | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021         | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021   | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021 | Forecast 2020 | Budget 2020 | Actual 2019 |
| Cash                       |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Operating                  |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Unrestricted               | 1,168,222      | 4,658,393     | 7,664,396   | 7,205,363   | 4,315,728           | 1,993,900     | 16,997,744  | (614,832)   | 19,638,366    | 14,974,819    | 9,748,180   | 12,490,422  | 25,122,316  | 21,627,112    | 34,410,320  | 19,080,953  |
| Restricted                 | 2,532,181      | 2,532,181     | 203,046     | 2,532,181   | 0                   | 0             | (370)       | 0           | 1,614,754     | 1,614,754     | 2,307,084   | 1,614,754   | -           | -             | -           | -           |
| Total Operating            | 3,700,403      | 7,190,574     | 7,867,442   | 9,737,544   | 4,315,728           | 1,993,900     | 16,997,374  | (614,832)   | 21,253,120    | 16,589,573    | 12,055,264  | 14,105,176  | 25,122,316  | 21,627,112    | 34,410,320  | 19,080,953  |
| Capital                    |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Unrestricted               | 2,042,457      | 2,042,457     | 2,037,248   | 2,037,248   | 7,672,019           | 7,672,019     | 7,672,019   | 7,672,019   | 169,980       | 169,980       | 169,980     | 169,980     | 9,884,456   | 9,884,456     | 9,879,247   | 9,879,247   |
| Restricted                 | -              | -             | -           | -           | 337,932             | 337,932       | 337,932     | 337,932     | 7,500,000     | 7,500,000     | 7,500,000   | 7,500,000   | 7,837,932   | 7,837,932     | 7,837,932   | 7,837,932   |
| Total Capital              | 2,042,457      | 2,042,457     | 2,037,248   | 2,037,248   | 8,009,951           | 8,009,951     | 8,009,951   | 8,009,951   | 7,669,980     | 7,669,980     | 7,669,980   | 7,669,980   | 17,722,388  | 17,722,388    | 17,717,179  | 17,717,179  |
| Other Restricted           |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Debt Reserves              | 1,043,094      | 1,043,094     | 1,380,654   | 1,043,094   | -                   | -             | -           | -           | 37,684,197    | 37,684,197    | 37,684,197  | 37,684,197  | 38,727,291  | 38,727,291    | 39,064,851  | 38,727,291  |
| Escrow                     | -              | -             | -           | -           | -                   | -             | -           | -           | -             | -             | -           | -           | -           | -             | -           | -           |
| Total Other Restricted     | 1,043,094      | 1,043,094     | 1,380,654   | 1,043,094   | -                   | -             | -           | -           | 37,684,197    | 37,684,197    | 37,684,197  | 37,684,197  | 38,727,291  | 38,727,291    | 39,064,851  | 38,727,291  |
| Total Cash                 | 6,785,954      | 10,276,125    | 11,285,344  | 12,817,886  | 12,325,679          | 10,003,852    | 25,007,325  | 7,395,119   | 66,607,297    | 61,943,750    | 57,409,441  | 59,459,353  | 81,571,995  | 78,076,791    | 91,192,350  | 75,525,423  |
| Investments                |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Operating                  |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Unrestricted               | 2,136,930      | 2,136,930     | 785,733     | 2,136,930   | 6,757,276           | 6,757,276     | (1,000,000) | 6,757,276   | -             | -             | -           | -           | 8,894,206   | 8,894,206     | (214,267)   | 8,894,206   |
| Restricted                 | -              | -             | -           | -           | -                   | -             | -           | -           | -             | -             | -           | -           | -           | -             | -           | -           |
| Total Operating            | 2,136,930      | 2,136,930     | 785,733     | 2,136,930   | 6,757,276           | 6,757,276     | (1,000,000) | 6,757,276   | -             | -             | -           | -           | 8,894,206   | 8,894,206     | (214,267)   | 8,894,206   |
| Capital                    |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Unrestricted               | 1,000,000      | 1,000,000     | 1,000,000   | 1,000,000   | 1,000,000           | 1,000,000     | 1,000,000   | 1,000,000   | -             | -             | -           | -           | 2,000,000   | 2,000,000     | 2,000,000   | 2,000,000   |
| Restricted                 | -              | -             | -           | -           | -                   | -             | -           | -           | -             | -             | -           | -           | -           | -             | -           | -           |
| Total Capital              | 1,000,000      | 1,000,000     | 1,000,000   | 1,000,000   | 1,000,000           | 1,000,000     | 1,000,000   | 1,000,000   | -             | -             | -           | -           | 2,000,000   | 2,000,000     | 2,000,000   | 2,000,000   |
| Other Restricted           |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Debt Reserves              | -              | -             | 2,214,267   | -           | -                   | -             | -           | -           | 24,117,855    | -             | 3,940,640   | -           | 24,117,855  | -             | 6,154,907   | -           |
| Escrow                     | 4,236,279      | 4,236,279     | 4,411,722   | 4,236,279   | -                   | -             | -           | -           | -             | -             | -           | -           | 4,236,279   | 4,236,279     | 4,411,722   | 4,236,279   |
| Total Other Restricted     | 4,236,279      | 4,236,279     | 6,625,989   | 4,236,279   | -                   | -             | -           | -           | 24,117,855    | -             | 3,940,640   | -           | 28,354,134  | 4,236,279     | 10,566,629  | 4,236,279   |
| Total Investments          | 7,373,209      | 7,373,209     | 8,411,722   | 7,373,209   | 7,757,276           | 7,757,276     | -           | 7,757,276   | 24,117,855    | -             | 3,940,640   | -           | 39,248,340  | 15,130,485    | 12,352,362  | 15,130,485  |
| Total Cash and Investments | 14,159,163     | 17,649,334    | 19,697,066  | 20,191,095  | 20,082,955          | 17,761,128    | 25,007,325  | 15,152,395  | 90,725,152    | 61,943,750    | 61,350,081  | 59,459,353  | 120,820,335 | 93,207,276    | 103,544,712 | 90,655,908  |
| Summary                    |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Cash                       |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Unrestricted               | 3,210,679      | 6,700,850     | 9,701,644   | 9,242,611   | 11,987,747          | 9,665,920     | 24,669,763  | 7,057,187   | 19,808,346    | 15,144,799    | 9,918,160   | 12,660,402  | 35,006,772  | 31,511,568    | 44,289,567  | 28,960,200  |
| Restricted                 | 3,575,275      | 3,575,275     | 1,583,700   | 3,575,275   | 337,932             | 337,932       | 337,562     | 337,932     | 46,798,951    | 46,798,951    | 47,491,281  | 46,798,951  | 50,712,158  | 50,712,158    | 49,412,543  | 50,712,158  |
| Total Cash                 | 6,785,954      | 10,276,125    | 11,285,344  | 12,817,886  | 12,325,679          | 10,003,852    | 25,007,325  | 7,395,119   | 66,607,297    | 61,943,750    | 57,409,441  | 59,459,353  | 85,718,930  | 82,223,726    | 93,702,110  | 79,672,358  |
| Investments                |                |               |             |             |                     |               |             |             |               |               |             |             |             |               |             |             |
| Unrestricted               | 3,136,930      | 3,136,930     | 1,785,733   | 3,136,930   | 7,757,276           | 7,757,276     | -           | 7,757,276   | -             | -             | -           | -           | 10,894,206  | 10,894,206    | 1,785,733   | 10,894,206  |
| Restricted                 | 4,236,279      | 4,236,279     | 6,625,989   | 4,236,279   | -                   | -             | -           | -           | 24,117,855    | -             | 3,940,640   | -           | 28,354,134  | 4,236,279     | 10,566,629  | 4,236,279   |
| Total Investments          | 7,373,209      | 7,373,209     | 8,411,722   | 7,373,209   | 7,757,276           | 7,757,276     | -           | 7,757,276   | 24,117,855    | -             | 3,940,640   | -           | 39,248,340  | 15,130,485    | 12,352,362  | 15,130,485  |
| Total Cash and Investments | 14,159,163     | 17,649,334    | 19,697,066  | 20,191,095  | 20,082,955          | 17,761,128    | 25,007,325  | 15,152,395  | 90,725,152    | 61,943,750    | 61,350,081  | 59,459,353  | 124,967,270 | 97,354,211    | 106,054,472 | 94,802,843  |

LEHIGH COUNTY AUTHORITY  
STATEMENTS OF CASH FLOWS - CONDENSED  
2021 Budget and Comparative Prior Period Data

|                                     | Suburban Water |               |             |             | Suburban Wastewater |               |              |              | City Division |               |              |              | Total LCA    |               |              |              |
|-------------------------------------|----------------|---------------|-------------|-------------|---------------------|---------------|--------------|--------------|---------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|
|                                     | Budget 2021    | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021         | Forecast 2020 | Budget 2020  | Actual 2019  | Budget 2021   | Forecast 2020 | Budget 2020  | Actual 2019  | Budget 2021  | Forecast 2020 | Budget 2020  | Actual 2019  |
| CONDENSED CASH FLOWS                |                |               |             |             |                     |               |              |              |               |               |              |              |              |               |              |              |
| Operating Revenues                  | 12,742,424     | 11,342,949    | 11,358,510  | 10,948,822  | 20,032,585          | 19,029,103    | 17,292,436   | 15,679,444   | 46,003,744    | 37,595,382    | 41,672,288   | 39,313,514   | 78,778,752   | 67,967,435    | 70,323,234   | 65,941,780   |
| Operating Expenses                  | (8,637,776)    | (6,134,848)   | (7,334,728) | (6,027,132) | (13,248,399)        | (11,391,541)  | (12,355,646) | (11,716,436) | (19,229,140)  | (18,501,175)  | (18,659,910) | (18,165,550) | (41,115,315) | (36,027,565)  | (38,350,284) | (35,909,118) |
| Net Cash Available for Debt Service | 4,104,648      | 5,208,101     | 4,023,782   | 4,921,690   | 6,784,186           | 7,637,562     | 4,936,790    | 3,963,008    | 26,774,603    | 19,094,207    | 23,012,378   | 21,147,964   | 37,663,437   | 31,939,870    | 31,972,950   | 30,032,662   |
| Debt Service                        | (3,499,146)    | (3,517,659)   | (3,341,564) | (3,270,166) | (731,029)           | (737,954)     | (1,616,435)  | (712,225)    | (14,225,917)  | (12,648,837)  | (15,421,170) | (13,416,749) | (18,456,092) | (16,904,450)  | (20,379,169) | (17,399,140) |
| Net Cash After Debt Service         | 605,502        | 1,690,442     | 682,218     | 1,651,524   | 6,053,157           | 6,899,608     | 3,320,355    | 3,250,783    | 12,548,686    | 6,445,370     | 7,591,208    | 7,731,215    | 19,207,345   | 15,035,420    | 11,593,781   | 12,633,522   |
| Interest Income                     | 94,327         | 89,072        | 160,000     | 179,193     | 190,471             | 179,859       | 200,000      | 332,846      | 172,960       | 166,148       | 900,000      | 1,193,617    | 457,758      | 435,079       | 1,260,000    | 1,705,656    |
| Other Payments                      | -              | -             | -           | -           | -                   | -             | -            | -            | (1,230,600)   | (533,258)     | (533,258)    | (524,861)    | (1,230,600)  | (533,258)     | (533,258)    | (524,861)    |
| Investment Activity                 | -              | -             | -           | 3,465,332   | -                   | -             | -            | (1,266,225)  | -             | -             | -            | 4,000,000    | -            | -             | -            | 6,199,107    |
| Non-Cash Working Capital Dec (Inc)  | -              | -             | -           | 6,150,814   | -                   | -             | -            | 6,668,638    | 50,000        | (600,000)     | -            | (11,066,614) | 50,000       | (600,000)     | -            | 1,752,838    |
| Net Available for Capex             | 699,829        | 1,779,514     | 842,218     | 11,446,863  | 6,243,627           | 7,079,467     | 3,520,355    | 8,986,042    | 11,541,047    | 5,478,260     | 7,957,950    | 1,333,357    | 18,484,503   | 14,337,241    | 12,320,523   | 21,766,262   |
| New Borrowing                       | -              | -             | 5,119,500   | -           | -                   | -             | 22,635,000   | -            | 2,000,000     | -             | -            | -            | 2,000,000    | -             | 27,754,500   | -            |
| Capex                               | (4,190,000)    | (4,321,275)   | (8,010,000) | (8,764,955) | (3,921,800)         | (4,470,734)   | (8,670,500)  | (10,671,537) | (8,877,500)   | (2,993,864)   | (4,815,000)  | (4,399,156)  | (16,989,300) | (11,785,873)  | (21,495,500) | (23,835,648) |
| NET CASH FLOWS                      | (3,490,171)    | (2,541,761)   | (2,048,282) | 2,681,907   | 2,321,827           | 2,608,733     | 17,484,855   | (1,685,495)  | 4,663,547     | 2,484,397     | 3,142,950    | (3,065,798)  | 3,495,203    | 2,551,368     | 18,579,523   | (2,069,386)  |
| Beginning Unrestricted Cash Balance | 6,700,850      | 9,242,611     | 11,749,926  | 6,560,704   | 9,665,920           | 7,057,187     | 7,184,908    | 8,742,682    | 6,267,443     | 3,783,046     | 6,775,210    | 6,848,844    | 22,634,213   | 20,082,844    | 25,710,044   | 22,152,230   |
| ENDING UNRESTRICTED CASH BALANCE    | 3,210,679      | 6,700,850     | 9,701,644   | 9,242,611   | 11,987,747          | 9,665,920     | 24,669,763   | 7,057,187    | 10,930,990    | 6,267,443     | 9,918,160    | 3,783,046    | 26,129,416   | 22,634,212    | 44,289,567   | 20,082,844   |

|                                  | Budget 2021 | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021 | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021 | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021 | Forecast 2020 | Budget 2020 | Actual 2019 |
|----------------------------------|-------------|---------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|---------------|-------------|-------------|
|                                  |             |               |             |             |             |               |             |             |             |               |             |             |             |               |             |             |
| KEY METRICS                      |             |               |             |             |             |               |             |             |             |               |             |             |             |               |             |             |
| Operating Ratio with D&A         | 1.13        | 1.29          | 1.13        | 1.27        | 1.06        | 1.12          | 0.96        | 0.96        | 1.66        | 1.46          | 1.53        | 1.56        | 1.36        | 1.32          | 1.27        | 1.31        |
| Debt Service Coverage Ratio      | 1.20        | 1.51          | 1.25        | 1.56        | 9.54        | 10.59         | 3.18        | 6.03        | 1.68        | 1.48          | 1.52        | 1.63        | 1.90        | 1.88          | 1.60        | 1.79        |
| Capital Coverage Ratio           | 0.17        | 0.41          | 0.11        | 0.21        | 1.59        | 1.58          | 0.41        | 0.34        | 1.29        | 2.03          | 1.65        | 1.91        | 1.09        | 1.27          | 0.57        | 0.58        |
| Unrestricted Days Cash on Hand   | 135.62      | 398.45        | 482.56      | 559.73      | 307.09      | 284.72        | 674.21      | 219.85      | 182.33      | 115.60        | 117.89      | 71.12       | 213.02      | 215.60        | 357.73      | 197.26      |
| Unrestricted Investment Balances | 3,136,930   | 3,136,930     | 1,785,733   | 3,136,930   | 7,757,276   | 7,757,276     | -           | 7,757,276   | -           | -             | -           | -           | 10,894,206  | 10,894,206    | 1,785,733   | 10,894,206  |

**LEHIGH COUNTY AUTHORITY**  
**STATEMENTS OF CASH FLOWS - SUMMARY**  
**2021 Budget and Comparative Prior Period Data**

|   | Suburban Water     |                    |                    |                     | Suburban Wastewater |                    |                   |                    | City Division       |                     |                     |                     | Total LCA           |                     |                     |                     |
|---|--------------------|--------------------|--------------------|---------------------|---------------------|--------------------|-------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Budget 2021        | Forecast 2020      | Budget 2020        | Actual 2019         | Budget 2021         | Forecast 2020      | Budget 2020       | Actual 2019        | Budget 2021         | Forecast 2020       | Budget 2020         | Actual 2019         | Budget 2021         | Forecast 2020       | Budget 2020         | Actual 2019         |
| <b>Cash Flows From Operating Activities</b>                           |                    |                    |                    |                     |                     |                    |                   |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Cash Received From Customers  | 11,770,317         | 10,519,685         | 10,445,176         | 9,606,687           | 19,122,546          | 15,579,443         | 15,365,176        | 14,672,863         | 42,247,349          | 35,164,897          | 36,907,592          | 37,928,276          | 73,140,212          | 61,264,025          | 62,717,944          | 62,207,826          |
| Cash Payments To Suppliers For Goods And Services                     | (4,606,174)        | (3,411,942)        | (4,054,234)        | (3,198,288)         | (10,285,608)        | (9,097,000)        | (11,271,004)      | (9,944,018)        | (5,371,334)         | (3,565,971)         | (4,782,506)         | (6,171,993)         | (20,263,116)        | (16,074,913)        | (20,107,744)        | (19,314,298)        |
| Cash Payments To Employees For Services                               | (3,953,337)        | (2,646,822)        | (3,280,494)        | (2,374,299)         | (1,916,369)         | (1,249,472)        | (1,469,340)       | (1,311,675)        | (13,300,911)        | (13,633,715)        | (12,518,341)        | (12,550,723)        | (19,170,616)        | (17,530,009)        | (17,268,175)        | (16,236,698)        |
| Other Operating Cash Receipts   | 29,124             | 26,719             | 136,834            | 168,051             | 43,823              | 47,381             | 172               | 79,277             | 349,165             | 223,554             | 456,111             | 418,299             | 422,112             | 297,654             | 593,117             | 665,627             |
| <b>Net Cash Provided By Operating Activities</b>                      | <b>3,239,929</b>   | <b>4,487,640</b>   | <b>3,247,282</b>   | <b>4,202,150</b>    | <b>6,964,393</b>    | <b>5,280,353</b>   | <b>2,625,004</b>  | <b>3,496,447</b>   | <b>23,924,270</b>   | <b>18,188,764</b>   | <b>20,062,856</b>   | <b>19,623,859</b>   | <b>34,128,592</b>   | <b>27,956,757</b>   | <b>25,935,142</b>   | <b>27,322,456</b>   |
| <b>Cash Flows From Noncapital Financing Activities</b>                |                    |                    |                    |                     |                     |                    |                   |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Interest Paid on Revenue Bonds and Notes                              | -                  | -                  | -                  | -                   | -                   | -                  | -                 | -                  | (11,565,086)        | (10,608,837)        | (13,978,238)        | (13,416,749)        | (11,565,086)        | (10,608,837)        | (13,978,238)        | (13,416,749)        |
| Facility Improvement Payments   | -                  | -                  | -                  | -                   | -                   | -                  | -                 | -                  | -                   | -                   | -                   | (3,148,443)         | -                   | -                   | -                   | (3,148,443)         |
| Payments to the City of Allentown                                     | -                  | -                  | -                  | -                   | -                   | -                  | -                 | -                  | (1,230,600)         | (533,258)           | (533,258)           | (524,861)           | (1,230,600)         | (533,258)           | (533,258)           | (524,861)           |
| Refunding Gain on Bonds   | -                  | -                  | -                  | -                   | -                   | -                  | -                 | -                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Transfers To/From Other Funds   | -                  | -                  | -                  | 5,976,539           | -                   | -                  | -                 | 4,388,173          | -                   | -                   | (29,516)            | (10,364,712)        | -                   | -                   | (29,516)            | -                   |
| <b>Net Cash Provided By (Used in) Noncapital Financing Activities</b> | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>5,976,539</b>    | <b>-</b>            | <b>-</b>           | <b>-</b>          | <b>4,388,173</b>   | <b>(12,795,686)</b> | <b>(11,142,095)</b> | <b>(14,541,012)</b> | <b>(27,454,765)</b> | <b>(12,795,686)</b> | <b>(11,142,095)</b> | <b>(14,541,012)</b> | <b>(17,090,053)</b> |
| <b>Cash Flows From Capital And Related Financing Activities</b>       |                    |                    |                    |                     |                     |                    |                   |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Receipts/(Release) of Developer Deposits                              | -                  | -                  | -                  | 476,525             | -                   | -                  | -                 | 15,995             | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 492,520             |
| Payments of Developer Deposits  | -                  | -                  | -                  | (705,174)           | -                   | -                  | -                 | -                  | -                   | -                   | (3,789)             | 3,789               | -                   | -                   | (3,789)             | (701,385)           |
| Payments of Facilities Planning Costs                                 | -                  | -                  | -                  | (23,210)            | -                   | -                  | -                 | (10,800)           | -                   | -                   | -                   | -                   | -                   | -                   | -                   | (34,010)            |
| Acquisition and Construction of Property and Equipment                | (4,190,000)        | (4,321,275)        | (8,010,000)        | (8,764,955)         | (3,921,800)         | (4,470,734)        | (8,670,500)       | (9,612,987)        | (8,877,500)         | (2,993,864)         | (4,815,000)         | (128,624)           | (16,989,300)        | (11,785,873)        | (21,495,500)        | (18,506,566)        |
| Cash Received from Tapping and Capital Recovery Fees                  | 443,721            | 500,109            | 472,000            | 418,775             | 835,098             | 3,396,323          | 800,000           | 1,573,749          | 1,773,409           | 1,460,927           | 1,534,700           | 1,707,127           | 3,052,228           | 5,357,358           | 2,806,700           | 3,699,651           |
| Cash Received from Meter Sales  | 100,744            | 55,361             | 108,000            | 94,763              | -                   | -                  | -                 | -                  | 23,387              | 39,787              | 292,000             | 22,466              | 124,131             | 95,148              | 400,000             | 117,229             |
| Cash Received from Inspection, Plan Reviews, and Project R            | 367,574            | 211,855            | 161,000            | 393,187             | 30,489              | 5,364              | 45,282            | 42,518             | 2,151,185           | 934,544             | 2,495,100           | 448,401             | 2,549,248           | 1,151,763           | 2,701,382           | 884,105             |
| Other Capital Cash Receipts   | 30,944             | 29,220             | 35,500             | 93,928              | 628                 | 593                | 1,000             | 615                | 59,249              | 56,915              | 35,000              | 59,659              | 90,821              | 86,728              | 71,500              | 154,202             |
| Other Capital Cash Payments   | (78,264)           | (76,084)           | -                  | 90,946              | (1,046,422)         | (1,045,070)        | (299,707)         | 117,811            | (2,377,545)         | (2,186,729)         | (1,329,547)         | (1,281,395)         | (3,502,231)         | (3,307,883)         | (1,629,254)         | (1,072,638)         |
| Revenue Bond and Note Issuance Proceeds                               | -                  | -                  | 5,119,500          | -                   | -                   | -                  | 22,500,000        | -                  | 2,000,000           | -                   | -                   | -                   | 2,000,000           | -                   | 27,619,500          | -                   |
| Principal Paid On Revenue Bonds                                       | (1,839,786)        | (1,832,994)        | (1,588,963)        | (1,481,325)         | (114,259)           | (114,905)          | (114,905)         | (78,904)           | (2,570,000)         | (2,040,000)         | (1,442,932)         | (1,245,000)         | (4,524,045)         | (3,987,899)         | (3,146,800)         | (2,805,229)         |
| Notes Payable   | (253,032)          | (248,378)          | (243,812)          | (243,812)           | (434,775)           | (427,162)          | (427,162)         | (420,205)          | -                   | -                   | -                   | -                   | (687,807)           | (675,540)           | (670,974)           | (664,017)           |
| Interest Paid on Revenue Bonds and Notes                              | (1,406,328)        | (1,436,287)        | (1,508,789)        | (1,468,258)         | (181,995)           | (195,887)          | (803,082)         | (213,115)          | -                   | -                   | -                   | -                   | (1,588,323)         | (1,632,174)         | (2,311,871)         | (1,681,373)         |
| <b>Net Cash Provided by (Used in) Capital and Related Financing A</b> | <b>(6,824,427)</b> | <b>(7,118,473)</b> | <b>(5,455,564)</b> | <b>(11,118,611)</b> | <b>(4,833,035)</b>  | <b>(2,851,479)</b> | <b>13,030,926</b> | <b>(8,585,323)</b> | <b>(7,817,815)</b>  | <b>(4,728,421)</b>  | <b>(3,234,468)</b>  | <b>(413,576)</b>    | <b>(19,475,278)</b> | <b>(14,698,373)</b> | <b>4,340,894</b>    | <b>(20,117,510)</b> |
| <b>Cash Flows From investing Activities</b>                           |                    |                    |                    |                     |                     |                    |                   |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Maturities of Certificates Of Deposit                                 | -                  | -                  | -                  | 3,808,000           | -                   | -                  | 1,612,859         | 14,866,203         | -                   | -                   | -                   | -                   | -                   | -                   | 1,612,859           | 18,674,203          |
| Purchase of Certificates Of Deposit                                   | -                  | -                  | -                  | (2,572,668)         | -                   | -                  | -                 | (16,147,680)       | -                   | -                   | -                   | -                   | -                   | -                   | -                   | (18,720,348)        |
| Purchase of U.S. Treasury Obligations                                 | -                  | -                  | -                  | -                   | -                   | -                  | -                 | -                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Maturities of U.S. Treasury Obligations                               | -                  | -                  | -                  | 2,230,000           | -                   | -                  | -                 | -                  | 1,179,819           | -                   | -                   | 4,000,000           | 1,179,819           | -                   | -                   | 6,230,000           |
| Interest Received On Investments                                      | 94,327             | 89,072             | 160,000            | 156,496             | 190,471             | 179,859            | 216,066           | 296,685            | 172,960             | 166,148             | 855,574             | 1,178,684           | 457,758             | 435,079             | 1,231,640           | 1,631,865           |
| <b>Net Cash Provided by (Used in) Investing Activities</b>            | <b>94,327</b>      | <b>89,072</b>      | <b>160,000</b>     | <b>3,621,828</b>    | <b>190,471</b>      | <b>179,859</b>     | <b>1,828,925</b>  | <b>(984,792)</b>   | <b>1,352,779</b>    | <b>166,148</b>      | <b>855,574</b>      | <b>5,178,684</b>    | <b>1,637,577</b>    | <b>435,079</b>      | <b>2,844,499</b>    | <b>7,815,720</b>    |
| <b>Net Increase (Decrease) in Cash</b>                                | <b>(3,490,171)</b> | <b>(2,541,761)</b> | <b>(2,048,282)</b> | <b>2,681,907</b>    | <b>2,321,828</b>    | <b>2,608,733</b>   | <b>17,484,855</b> | <b>(1,685,495)</b> | <b>4,663,547</b>    | <b>2,484,397</b>    | <b>3,142,950</b>    | <b>(3,065,798)</b>  | <b>3,495,204</b>    | <b>2,551,368</b>    | <b>18,579,523</b>   | <b>(2,069,386)</b>  |
| <b>Cash:</b>  |                    |                    |                    |                     |                     |                    |                   |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Beginning   | 10,276,125         | 12,817,886         | 13,333,626         | 10,135,979          | 10,003,852          | 7,395,119          | 7,522,470         | 9,080,614          | 61,943,750          | 59,459,353          | 54,266,491          | 62,525,151          | 82,223,726          | 79,672,358          | 75,122,587          | 81,741,744          |
| Ending  | <b>6,785,954</b>   | <b>10,276,125</b>  | <b>11,285,344</b>  | <b>12,817,886</b>   | <b>12,325,679</b>   | <b>10,003,852</b>  | <b>25,007,325</b> | <b>7,395,119</b>   | <b>66,607,297</b>   | <b>61,943,750</b>   | <b>57,409,441</b>   | <b>59,459,353</b>   | <b>85,718,930</b>   | <b>82,223,726</b>   | <b>93,702,110</b>   | <b>79,672,358</b>   |
| <b>Cash Consisted of the Following:</b>                               |                    |                    |                    |                     |                     |                    |                   |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Cash and Cash Equivalents   | 3,210,679          | 6,700,850          | 9,701,644          | 9,242,611           | 11,987,747          | 9,665,920          | 24,669,763        | 7,057,187          | 19,808,346          | 15,144,799          | 9,918,160           | 12,660,402          | 35,006,772          | 31,511,568          | 44,289,567          | 28,960,200          |
| Restricted Cash and Cash Equivalents                                  | 3,575,275          | 3,575,275          | 1,583,700          | 3,575,275           | 337,932             | 337,932            | 337,562           | 337,932            | 46,798,951          | 46,798,951          | 47,491,281          | 46,798,951          | 50,712,158          | 50,712,158          | 49,412,543          | 50,712,158          |
| <b>Total Cash and Cash Equivalents</b>                                | <b>6,785,954</b>   | <b>10,276,125</b>  | <b>11,285,344</b>  | <b>12,817,886</b>   | <b>12,325,679</b>   | <b>10,003,852</b>  | <b>25,007,325</b> | <b>7,395,119</b>   | <b>66,607,297</b>   | <b>61,943,750</b>   | <b>57,409,441</b>   | <b>59,459,353</b>   | <b>85,718,930</b>   | <b>82,223,726</b>   | <b>93,702,110</b>   | <b>79,672,358</b>   |

**LEHIGH COUNTY AUTHORITY**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION**  
**2021 Budget and Comparative Prior Period Data**

|   | Suburban Water     |                    |                    |                   | Suburban Wastewater |                   |                    |                   | City Division       |                     |                     |                     | Total LCA           |                     |                     |                     |
|---|--------------------|--------------------|--------------------|-------------------|---------------------|-------------------|--------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Budget 2021        | Forecast 2020      | Budget 2020        | Actual 2019       | Budget 2021         | Forecast 2020     | Budget 2020        | Actual 2019       | Budget 2021         | Forecast 2020       | Budget 2020         | Actual 2019         | Budget 2021         | Forecast 2020       | Budget 2020         | Actual 2019         |
| <b>OPERATING FUNDS</b>                              |                    |                    |                    |                   |                     |                   |                    |                   |                     |                     |                     |                     |                     |                     |                     |                     |
| Operating Revenues:                                 |                    |                    |                    |                   |                     |                   |                    |                   |                     |                     |                     |                     |                     |                     |                     |                     |
| User Charges  |                    |                    |                    |                   |                     |                   |                    |                   |                     |                     |                     |                     |                     |                     |                     |                     |
| Charges for Services                                | 11,770,317         | 10,519,685         | 10,445,176         | 9,780,119         | 19,122,546          | 15,579,443        | 16,445,982         | 13,983,285        | 41,647,349          | 35,764,897          | 36,859,377          | 36,657,562          | 72,540,212          | 61,864,025          | 63,750,535          | 60,420,966          |
| Rent  | -                  | -                  | 111,213            | 125,253           | -                   | -                 | -                  | -                 | -                   | -                   | -                   | -                   | -                   | -                   | 111,213             | 125,253             |
| Other Income  | 29,124             | 26,719             | 25,621             | 42,798            | 43,823              | 47,381            | 172                | 79,277            | 349,165             | 223,554             | 456,111             | 418,299             | 422,112             | 297,654             | 481,904             | 540,374             |
| Total User Charges                                  | 11,799,441         | 10,546,404         | 10,582,010         | 9,948,169         | 19,166,369          | 15,626,824        | 16,446,154         | 14,062,562        | 41,996,514          | 35,988,451          | 37,315,488          | 37,075,861          | 72,962,324          | 62,161,679          | 64,343,652          | 61,086,592          |
| Connection & System Charges                         |                    |                    |                    |                   |                     |                   |                    |                   |                     |                     |                     |                     |                     |                     |                     |                     |
| Supply/Tapping Fees                                 | 382,712            | 411,960            | 387,000            | 360,815           | -                   | -                 | -                  | -                 | 22,342              | 3,579               | 18,500              | 21,462              | 405,054             | 415,539             | 405,500             | 382,277             |
| Capital Cost Recovery                               | -                  | -                  | -                  | -                 | 359,513             | 1,525,234         | 295,000            | 1,199,847         | 1,150,235           | 1,405,513           | 1,397,000           | 1,105,691           | 1,509,748           | 2,930,747           | 1,692,000           | 2,305,538           |
| Distribution Tapping Fees                           | 61,009             | 88,149             | 85,000             | 57,960            | 475,585             | 1,871,089         | 505,000            | 373,902           | 600,832             | 51,834              | 119,200             | 579,975             | 1,137,426           | 2,011,072           | 709,200             | 1,011,836           |
| Meter Sales   | 100,744            | 55,361             | 108,000            | 94,763            | -                   | -                 | -                  | -                 | 23,387              | 39,787              | 292,000             | 22,466              | 124,131             | 95,148              | 400,000             | 117,229             |
| Inspection & Review Fees                            | 77,000             | 103,287            | 161,000            | 119,665           | -                   | 857               | 45,282             | 13,727            | 31,569              | 39,345              | 180,100             | 30,326              | 108,569             | 143,489             | 386,382             | 163,718             |
| Developer Reimbursement                             | 290,574            | 108,568            | -                  | 273,522           | 30,489              | 4,507             | -                  | 28,791            | 2,119,615           | 895,199             | 2,315,000           | 418,075             | 2,440,679           | 1,008,274           | 2,315,000           | 720,387             |
| Total Connection & System Charges                   | 912,039            | 767,325            | 741,000            | 906,725           | 865,588             | 3,401,686         | 845,282            | 1,616,267         | 3,947,981           | 2,435,257           | 4,321,800           | 2,177,994           | 5,725,607           | 6,604,268           | 5,908,082           | 4,700,985           |
| Other Income  | 30,944             | 29,220             | 35,500             | 93,928            | 628                 | 593               | 1,000              | 615               | 59,249              | 56,915              | 35,000              | 59,659              | 90,821              | 86,728              | 71,500              | 154,202             |
| <b>Total Operating Revenues</b>                     | <b>12,742,423</b>  | <b>11,342,949</b>  | <b>11,358,510</b>  | <b>10,948,822</b> | <b>20,032,585</b>   | <b>19,029,103</b> | <b>17,292,436</b>  | <b>15,679,444</b> | <b>46,003,744</b>   | <b>38,480,623</b>   | <b>41,672,288</b>   | <b>39,313,514</b>   | <b>78,778,752</b>   | <b>68,852,675</b>   | <b>70,323,234</b>   | <b>65,941,780</b>   |
| Operating Expenses:                                 |                    |                    |                    |                   |                     |                   |                    |                   |                     |                     |                     |                     |                     |                     |                     |                     |
| Personnel   | 3,289,603          | 2,383,805          | 3,127,169          | 2,402,145         | 1,760,954           | 1,130,381         | 1,464,464          | 1,340,615         | 11,561,494          | 12,145,543          | 10,869,860          | 11,387,931          | 16,612,051          | 15,659,728          | 15,461,493          | 15,130,692          |
| General & Administrative                            | 663,734            | 263,018            | 130,143            | (4,664)           | 155,415             | 119,091           | (36,072)           | 12,007            | 1,739,417           | 1,488,173           | 1,648,481           | 1,810,565           | 2,558,565           | 1,870,281           | 1,742,552           | 1,817,908           |
| Utilities   | 543,917            | 461,746            | 616,038            | 432,898           | 449,485             | 369,199           | 481,172            | 374,031           | 2,154,519           | 1,878,480           | 2,199,029           | 2,083,543           | 3,147,920           | 2,709,425           | 3,296,239           | 2,890,473           |
| Materials and Supplies                              | 547,582            | 409,504            | 563,004            | 401,908           | 649,208             | 341,189           | 575,139            | 333,195           | 1,932,267           | 1,429,441           | 1,871,949           | 1,328,712           | 3,129,057           | 2,180,134           | 3,010,092           | 2,063,814           |
| Miscellaneous Services                              | 3,518,076          | 2,544,092          | 2,898,374          | 2,681,591         | 6,209,376           | 5,977,489         | 6,510,976          | 6,227,262         | 1,815,472           | 1,534,709           | 2,058,591           | 1,535,878           | 11,542,924          | 10,056,290          | 11,467,941          | 10,444,732          |
| Treatment and Transportation                        | -                  | -                  | -                  | -                 | 3,977,539           | 3,409,122         | 3,327,679          | 3,385,568         | 12,000              | 11,265              | 12,000              | 9,547               | 3,989,539           | 3,420,387           | 3,339,679           | 3,395,115           |
| Depreciation and Amortization                       | 2,605,699          | 2,644,500          | 2,750,000          | 2,602,179         | 4,616,783           | 4,667,252         | 4,603,000          | 4,571,072         | 5,893,862           | 5,880,000           | 5,880,000           | 5,835,507           | 13,116,343          | 13,191,752          | 13,233,000          | 13,008,758          |
| Major Maintenance Expenses                          | 3,400              | 3,400              | 3,400              | -                 | 1,000,000           | 1,000,000         | 1,000,000          | -                 | 542,924             | 1,287,924           | 2,782,916           | 1,250,412           | 1,546,324           | 2,291,324           | 3,786,316           | 1,250,412           |
| Other Miscellaneous                                 | 74,864             | 72,684             | -                  | 113,254           | 46,422              | 45,070            | 32,288             | 43,757            | 2,123,972           | 898,805             | -                   | 9,373               | 2,245,258           | 1,016,559           | 32,288              | 166,384             |
| <b>Total Operating Expenses</b>                     | <b>11,246,874</b>  | <b>8,782,748</b>   | <b>10,088,128</b>  | <b>8,629,311</b>  | <b>18,865,181</b>   | <b>17,058,793</b> | <b>17,958,646</b>  | <b>16,287,508</b> | <b>27,775,927</b>   | <b>26,554,340</b>   | <b>27,322,826</b>   | <b>25,251,468</b>   | <b>57,887,982</b>   | <b>52,395,881</b>   | <b>55,369,600</b>   | <b>50,168,287</b>   |
| <b>Net Operating Profit</b>                         | <b>1,495,549</b>   | <b>2,560,201</b>   | <b>1,270,382</b>   | <b>2,319,511</b>  | <b>1,167,404</b>    | <b>1,970,310</b>  | <b>(666,210)</b>   | <b>(608,064)</b>  | <b>18,227,817</b>   | <b>11,926,283</b>   | <b>14,349,462</b>   | <b>14,062,046</b>   | <b>20,890,770</b>   | <b>16,456,794</b>   | <b>14,953,634</b>   | <b>15,773,492</b>   |
| Non-Operating Income (Expense)                      |                    |                    |                    |                   |                     |                   |                    |                   |                     |                     |                     |                     |                     |                     |                     |                     |
| Investment Earnings                                 | 94,327             | 89,072             | 160,000            | 179,193           | 190,471             | 179,859           | 200,000            | 332,846           | 172,960             | 166,148             | 900,000             | 1,193,617           | 457,758             | 435,079             | 1,260,000           | 1,705,656           |
| Interest (Expense)                                  | (1,406,328)        | (1,436,287)        | (1,508,789)        | (1,545,029)       | (181,995)           | (195,887)         | (803,082)          | (213,115)         | (17,535,086)        | (16,578,837)        | (19,356,023)        | (19,386,584)        | (19,123,409)        | (18,211,011)        | (21,667,894)        | (21,144,727)        |
| Capital Grant                                       | -                  | -                  | -                  | 1,716,419         | -                   | -                 | -                  | 15,000            | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1,731,419           |
| Capital Assets Provided by Developers               | -                  | -                  | -                  | -                 | -                   | -                 | -                  | -                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Net Non-Operating Income (Expense)</b>           | <b>(1,312,001)</b> | <b>(1,347,215)</b> | <b>(1,348,789)</b> | <b>350,583</b>    | <b>8,475</b>        | <b>(16,028)</b>   | <b>(603,082)</b>   | <b>134,731</b>    | <b>(17,362,125)</b> | <b>(16,412,689)</b> | <b>(18,456,023)</b> | <b>(18,192,967)</b> | <b>(18,665,651)</b> | <b>(17,775,932)</b> | <b>(20,407,894)</b> | <b>(17,707,652)</b> |
| <b>Net Income (Loss)</b>                            | <b>183,548</b>     | <b>1,212,986</b>   | <b>(78,407)</b>    | <b>2,670,094</b>  | <b>1,175,879</b>    | <b>1,954,282</b>  | <b>(1,269,292)</b> | <b>(473,333)</b>  | <b>865,692</b>      | <b>(4,486,406)</b>  | <b>(4,106,561)</b>  | <b>(4,130,921)</b>  | <b>2,225,119</b>    | <b>(1,319,138)</b>  | <b>(5,454,260)</b>  | <b>(1,934,160)</b>  |
| Net Position at Beginning of Year (As Restated)     | 102,323,527        | 101,110,541        | 98,700,480         | 98,440,447        | 101,343,621         | 99,389,339        | 97,345,970         | 99,862,672        | (59,874,770)        | (55,388,364)        | (55,195,127)        | (51,257,443)        | 143,792,378         | 145,111,516         | 140,851,323         | 147,045,676         |
| Cumulative Effect of Change in Accounting principle | -                  | -                  | -                  | -                 | -                   | -                 | -                  | -                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Net Position at Beginning of Year</b>            | <b>102,323,527</b> | <b>101,110,541</b> | <b>98,700,480</b>  | <b>98,440,447</b> | <b>101,343,621</b>  | <b>99,389,339</b> | <b>97,345,970</b>  | <b>99,862,672</b> | <b>(59,874,770)</b> | <b>(55,388,364)</b> | <b>(55,195,127)</b> | <b>(51,257,443)</b> | <b>143,792,378</b>  | <b>145,111,516</b>  | <b>140,851,323</b>  | <b>147,045,676</b>  |
| Net Position at End of Year                         | 102,507,075        | 102,323,527        | 98,622,073         | 101,110,541       | 102,519,500         | 101,343,621       | 96,076,678         | 99,389,339        | (59,009,078)        | (59,874,770)        | (59,301,688)        | (55,388,364)        | 146,017,497         | 143,792,378         | 135,397,063         | 145,111,516         |
| <b>CAPITAL RESERVE FUNDS</b>                        |                    |                    |                    |                   |                     |                   |                    |                   |                     |                     |                     |                     |                     |                     |                     |                     |
| Capital Water Reserve Funds                         | 4,190,000          | 4,321,275          | 8,010,000          | 8,764,955         | -                   | -                 | -                  | -                 | 4,692,500           | 1,381,564           | 1,375,000           | 2,016,987           | 8,882,500           | 5,702,839           | 9,385,000           | 10,781,943          |
| Capital WasteWater Reserve Funds                    | -                  | -                  | -                  | -                 | 3,921,800           | 4,470,734         | 8,670,500          | 10,671,537        | 4,185,000           | 1,612,300           | 3,440,000           | 2,382,168           | 8,106,800           | 6,083,034           | 12,110,500          | 13,053,705          |
| <b>Total Capital Reserve Funds</b>                  | <b>4,190,000</b>   | <b>4,321,275</b>   | <b>8,010,000</b>   | <b>8,764,955</b>  | <b>3,921,800</b>    | <b>4,470,734</b>  | <b>8,670,500</b>   | <b>10,671,537</b> | <b>8,877,500</b>    | <b>2,993,864</b>    | <b>4,815,000</b>    | <b>4,399,156</b>    | <b>16,989,300</b>   | <b>11,785,873</b>   | <b>21,495,500</b>   | <b>23,835,648</b>   |

LEHIGH COUNTY AUTHORITY  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION - AUDIT FORMAT  
2021 Budget and Comparative Prior Period Data

|   | Suburban Water |               |             |             | Suburban Wastewater |               |             |             | City Division |               |              |              | Total LCA    |               |              |              |
|---|----------------|---------------|-------------|-------------|---------------------|---------------|-------------|-------------|---------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|
|   | Budget 2021    | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021         | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021   | Forecast 2020 | Budget 2020  | Actual 2019  | Budget 2021  | Forecast 2020 | Budget 2020  | Actual 2019  |
| <b>OPERATING FUNDS</b>                              |                |               |             |             |                     |               |             |             |               |               |              |              |              |               |              |              |
| Operating Revenues:                                 |                |               |             |             |                     |               |             |             |               |               |              |              |              |               |              |              |
| Charges for Services                                | 11,770,317     | 10,519,685    | 10,445,176  | 9,780,119   | 19,122,546          | 15,579,443    | 16,445,982  | 13,983,285  | 41,647,349    | 35,764,897    | 36,859,377   | 36,657,562   | 72,540,212   | 61,864,025    | 63,750,535   | 60,420,966   |
| Rent  | -              | -             | 111,213     | 125,253     | -                   | -             | -           | -           | -             | -             | -            | -            | -            | -             | 111,213      | 125,253      |
| Other Income  | 29,124         | 26,719        | 25,621      | 42,798      | 43,823              | 47,381        | 172         | 79,277      | 349,165       | 223,554       | 456,111      | 418,299      | 422,112      | 297,654       | 481,904      | 540,374      |
| Total Operating Revenues                            | 11,799,441     | 10,546,404    | 10,582,010  | 9,948,169   | 19,166,369          | 15,626,824    | 16,446,154  | 14,062,562  | 41,996,514    | 35,988,451    | 37,315,488   | 37,075,861   | 72,962,324   | 62,161,679    | 64,343,652   | 61,086,592   |
| Operating Expenses:                                 |                |               |             |             |                     |               |             |             |               |               |              |              |              |               |              |              |
| Personnel   | 3,289,603      | 2,383,805     | 3,127,169   | 2,402,145   | 1,760,954           | 1,130,381     | 1,464,464   | 1,340,615   | 11,561,494    | 12,145,543    | 10,869,860   | 11,387,931   | 16,612,051   | 15,659,728    | 15,461,493   | 15,130,692   |
| General & Administrative                            | 663,734        | 263,018       | 130,143     | (4,664)     | 155,415             | 119,091       | (36,072)    | 12,007      | 1,739,417     | 1,488,173     | 1,648,481    | 1,810,565    | 2,558,566    | 1,870,281     | 1,742,552    | 1,817,908    |
| Utilities   | 543,917        | 461,746       | 616,038     | 432,898     | 449,485             | 369,199       | 481,172     | 374,031     | 2,154,519     | 1,878,480     | 2,199,029    | 2,083,543    | 3,147,920    | 2,709,425     | 3,296,239    | 2,890,473    |
| Materials and Supplies                              | 547,582        | 409,504       | 563,004     | 401,908     | 649,208             | 341,189       | 575,139     | 333,195     | 1,932,267     | 1,429,441     | 1,871,949    | 1,328,712    | 3,129,057    | 2,180,134     | 3,010,092    | 2,063,814    |
| Miscellaneous Services                              | 3,518,076      | 2,544,092     | 2,898,374   | 2,681,591   | 6,209,376           | 5,977,489     | 6,510,976   | 6,227,262   | 1,815,472     | 1,534,709     | 2,058,591    | 1,535,878    | 11,542,924   | 10,056,290    | 11,467,941   | 10,444,732   |
| Treatment and Transportation                        | -              | -             | -           | -           | 3,977,539           | 3,409,122     | 3,327,679   | 3,385,568   | 12,000        | 11,265        | 12,000       | 9,547        | 3,989,539    | 3,420,387     | 3,339,679    | 3,395,115    |
| Depreciation and Amortization                       | 2,605,699      | 2,644,500     | 2,750,000   | 2,602,179   | 4,616,783           | 4,667,252     | 4,603,000   | 4,571,072   | 5,893,862     | 5,880,000     | 5,880,000    | 5,835,507    | 13,116,343   | 13,191,752    | 13,233,000   | 13,008,758   |
| Total Operating Expenses                            | 11,168,610     | 8,706,664     | 10,084,728  | 8,516,057   | 17,818,760          | 16,013,723    | 16,926,358  | 16,243,751  | 25,109,031    | 24,367,611    | 24,539,910   | 23,991,684   | 54,096,400   | 49,087,998    | 51,550,996   | 48,751,492   |
| Operating Income                                    | 630,831        | 1,839,740     | 497,282     | 1,432,112   | 1,347,609           | (386,900)     | (480,204)   | (2,181,189) | 16,887,484    | 11,620,840    | 12,775,578   | 13,084,177   | 18,865,924   | 13,073,680    | 12,792,656   | 12,335,100   |
| Capital Related Revenues (Expenses)                 |                |               |             |             |                     |               |             |             |               |               |              |              |              |               |              |              |
| Supply/Tapping Fees                                 | 382,712        | 411,960       | 387,000     | 360,815     | -                   | -             | -           | -           | 22,342        | 3,579         | 18,500       | 21,462       | 405,054      | 415,539       | 405,500      | 382,277      |
| Capital Cost Recovery                               | -              | -             | -           | -           | 359,513             | 1,525,234     | 295,000     | 1,199,847   | 1,150,235     | 1,405,513     | 1,397,000    | 1,105,691    | 1,509,748    | 2,930,747     | 1,692,000    | 2,305,538    |
| Distribution Tapping Fees                           | 61,009         | 88,149        | 85,000      | 57,960      | 475,585             | 1,871,089     | 505,000     | 373,902     | 600,832       | 51,834        | 119,200      | 579,975      | 1,137,426    | 2,011,072     | 709,200      | 1,011,836    |
| Meter Sales   | 100,744        | 55,361        | 108,000     | 94,763      | -                   | -             | -           | -           | 23,387        | 39,787        | 292,000      | 22,466       | 124,131      | 95,148        | 400,000      | 117,229      |
| Inspection & Review Fees                            | 77,000         | 103,287       | 161,000     | 119,665     | -                   | 857           | 45,282      | 13,727      | 31,569        | 39,345        | 180,100      | 30,326       | 108,569      | 143,489       | 386,382      | 163,718      |
| Developer Reimbursement                             | 290,574        | 108,568       | -           | 273,522     | 30,489              | 4,507         | -           | 28,791      | 2,119,615     | 9,958         | 2,315,000    | 418,075      | 2,440,679    | 123,033       | 2,315,000    | 720,387      |
| Other Income  | 30,944         | 29,220        | 35,500      | 93,928      | 628                 | 593           | 1,000       | 615         | 59,249        | 56,915        | 35,000       | 59,659       | 90,821       | 86,728        | 71,500       | 154,202      |
| Major Maintenance Expenses                          | (3,400)        | (3,400)       | (3,400)     | -           | (1,000,000)         | (1,000,000)   | (1,000,000) | -           | (2,652,924)   | (1,287,924)   | (2,782,916)  | (1,250,412)  | (3,656,324)  | (2,291,324)   | (3,786,316)  | (1,250,412)  |
| Other Miscellaneous                                 | (74,864)       | (72,684)      | -           | (113,254)   | (46,422)            | (45,070)      | (32,288)    | (43,757)    | (13,972)      | (13,565)      | -            | (9,373)      | (135,258)    | (131,318)     | (32,288)     | (166,384)    |
| Total Capital Related Revenues (Expenses)           | 864,719        | 720,461       | 773,100     | 887,399     | (180,206)           | 2,357,210     | (186,006)   | 1,573,125   | 1,340,334     | 305,443       | 1,573,884    | 977,868      | 2,024,846    | 3,383,114     | 2,160,978    | 3,438,392    |
| PROFIT (LOSS) FROM OPERATING ACTIVITIES             | 1,495,549      | 2,560,201     | 1,270,382   | 2,319,511   | 1,167,403           | 1,970,310     | (666,210)   | (608,064)   | 18,227,817    | 11,926,283    | 14,349,462   | 14,062,046   | 20,890,770   | 16,456,794    | 14,953,634   | 15,773,492   |
| Non-Operating Income (Expense)                      |                |               |             |             |                     |               |             |             |               |               |              |              |              |               |              |              |
| Investment Earnings                                 | 94,327         | 89,072        | 160,000     | 179,193     | 190,471             | 179,859       | 200,000     | 332,846     | 172,960       | 166,148       | 900,000      | 1,193,617    | 457,758      | 435,079       | 1,260,000    | 1,705,656    |
| Interest (Expense)                                  | (1,406,328)    | (1,436,287)   | (1,508,789) | (1,545,029) | (181,995)           | (195,887)     | (803,082)   | (213,115)   | (17,535,086)  | (16,578,837)  | (19,356,023) | (19,386,584) | (19,123,409) | (18,211,011)  | (21,667,894) | (21,144,727) |
| Capital Grant                                       | -              | -             | -           | 1,716,419   | -                   | -             | -           | 15,000      | -             | -             | -            | -            | -            | -             | -            | 1,731,419    |
| Capital Assets Provided by Developers               | -              | -             | -           | -           | -                   | -             | -           | -           | -             | -             | -            | -            | -            | -             | -            | -            |
| Net Non-Operating Income (Expense)                  | (1,312,001)    | (1,347,215)   | (1,348,789) | 350,583     | 8,475               | (16,028)      | (603,082)   | 134,731     | (17,362,126)  | (16,412,689)  | (18,456,023) | (18,192,967) | (18,665,651) | (17,775,932)  | (20,407,894) | (17,707,652) |
| NET INCOME (LOSS)                                   | 183,548        | 1,212,986     | (78,407)    | 2,670,094   | 1,175,879           | 1,954,282     | (1,269,292) | (473,333)   | 865,692       | (4,486,406)   | (4,106,561)  | (4,130,921)  | 2,225,119    | (1,319,138)   | (5,454,260)  | (1,934,160)  |
| Net Position at Beginning of Year (As Restated)     | 102,323,527    | 101,110,541   | 98,700,480  | 98,440,447  | 101,343,621         | 99,389,339    | 97,345,970  | 99,862,672  | (59,874,770)  | (55,388,364)  | (55,195,127) | (51,257,443) | 143,792,378  | 145,111,516   | 140,851,323  | 147,045,676  |
| Cumulative Effect of Change in Accounting principle | -              | -             | -           | -           | -                   | -             | -           | -           | -             | -             | -            | -            | -            | -             | -            | -            |
| Net Position at Beginning of Year                   | 102,323,527    | 101,110,541   | 98,700,480  | 98,440,447  | 101,343,621         | 99,389,339    | 97,345,970  | 99,862,672  | (59,874,770)  | (55,388,364)  | (55,195,127) | (51,257,443) | 143,792,378  | 145,111,516   | 140,851,323  | 147,045,676  |
| Net Position at End of Year                         | 102,507,075    | 102,323,527   | 98,622,073  | 101,110,541 | 102,519,499         | 101,343,621   | 96,076,678  | 99,389,339  | (59,009,078)  | (59,874,770)  | (59,301,688) | (55,388,364) | 146,017,496  | 143,792,378   | 135,397,063  | 145,111,516  |

# System Statements



LEHIGH COUNTY AUTHORITY  
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND  
2021 Budget and Comparative Prior Period Data

|   | Suburban - Water Systems |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   | Total          |                      |                  |                |                |   |
|---|--------------------------|---------------------|-----------------------------|---------------------|---------------|-----------------------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------------|-------------------|----------------|----------------------|------------------|----------------|----------------|---|
|   | Int Serv<br>100          | Undesignated<br>200 | Western Lehigh Service Area |                     |               | S. Lehigh<br>Beverly Hills<br>207 | Northern Lehigh Service Area |                   |                   |                   |                   | Northampton<br>CFE<br>208 | Buss Acres<br>210 | Budget<br>2021 | Total                |                  | Actual<br>2019 |                |   |
|   |                          |                     | Central Lehigh<br>201       | Arcadia West<br>211 | Emmaus<br>209 |                                   | North Whiteha<br>202         | Washington<br>203 | Mill Creek<br>204 | Heidelberg<br>205 | PL of Lynn<br>206 |                           |                   |                | Madison North<br>221 | Forecast<br>2020 |                | Budget<br>2020 |   |
| Operating Revenues:                     |                          |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   |                |                      |                  |                |                |   |
| User Charges                            |                          |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   |                |                      |                  |                |                |   |
| Large Industrial                        |                          | -                   | 1,357,824                   | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | 1,357,824            | 1,245,710        | 1,191,187      | 1,118,032      |   |
| Other Industrial/Commercial             |                          | -                   | 4,308,847                   | 26,446              | 3,221         | -                                 | 50,801                       | 3,787             | -                 | -                 | -                 | -                         | -                 | 248            | 4,393,350            | 3,751,826        | 3,697,016      | 3,404,641      |   |
| Residential                             |                          | -                   | 4,100,157                   | -                   | 92,035        | 8,340                             | 208,809                      | 73,854            | 6,921             | 36,604            | 11,091            | 23,749                    | 13,182            | 21,950         | 4,596,692            | 4,217,149        | 4,067,530      | 3,889,306      |   |
| Penalties                               |                          | -                   | 24,035                      | 242                 | 247           | 20                                | 373                          | 372               | 22                | 135               | 32                | 82                        | 35                | 31             | 25,627               | 23,511           | 96,138         | 103,807        |   |
| Private Fire Service                    |                          | -                   | 722,542                     | 211,210             | -             | -                                 | 5,061                        | 1,633             | -                 | -                 | -                 | -                         | -                 | -              | 940,447              | 862,795          | 881,402        | 846,199        |   |
| Public Fire Service                     |                          | -                   | 420,155                     | -                   | -             | -                                 | 19,215                       | 9,219             | -                 | -                 | -                 | -                         | -                 | -              | 448,588              | 411,549          | 436,903        | 378,629        |   |
| User Charges - Municipal                |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| User Charges - Residential & Commercial |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| User Charges - Hauler                   |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Hauler Fees                             |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Industrial Charges                      |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Industrial Pretreatment Revenues        |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Municipal                               |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Leachate Program Revenues               |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Other Income                            |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Other Water Sales                       |                          | -                   | 7,788                       | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Provision for Doubtful Debts            |                          | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | 7,788                | 7,145            | 75,000         | 51,553         |   |
| Total Charges for Services              | -                        | -                   | 10,941,348                  | 237,898             | 95,504        | 8,360                             | 284,260                      | 88,865            | 6,943             | 36,739            | 11,123            | 23,831                    | 13,217            | 22,229         | 11,770,317           | 10,519,685       | 10,445,176     | 9,780,119      |   |
| Rental Income                           | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | 111,213        | 125,253        |   |
| Miscellaneous                           | -                        | -                   | 29,124                      | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | 29,124               | 26,719           | 25,621         | 42,798         |   |
| Total User Charges                      | -                        | -                   | 10,970,472                  | 237,898             | 95,504        | 8,360                             | 284,260                      | 88,865            | 6,943             | 36,739            | 11,123            | 23,831                    | 13,217            | 22,229         | 11,799,441           | 10,546,404       | 10,582,010     | 9,948,169      |   |
| Connection & System Charges             |                          |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   |                |                      |                  |                |                |   |
| Supply/Tapping Fees                     | -                        | -                   | 372,244                     | -                   | -             | -                                 | 10,468                       | -                 | -                 | -                 | -                 | -                         | -                 | -              | 382,712              | 411,960          | 387,000        | 360,815        |   |
| Capital Cost Recovery                   | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Distribution Tapping Fees               | -                        | -                   | 46,395                      | -                   | -             | -                                 | 14,614                       | -                 | -                 | -                 | -                 | -                         | -                 | -              | 61,009               | 88,149           | 85,000         | 57,960         |   |
| Meter Sales                             | -                        | -                   | 95,339                      | -                   | -             | -                                 | 5,405                        | -                 | -                 | -                 | -                 | -                         | -                 | -              | 100,744              | 55,361           | 108,000        | 94,763         |   |
| Inspection & Review Fees                | -                        | -                   | 75,337                      | -                   | -             | -                                 | 1,663                        | -                 | -                 | -                 | -                 | -                         | -                 | -              | 77,000               | 103,287          | 161,000        | 119,665        |   |
| Developer Reimbursement                 | -                        | -                   | 287,738                     | -                   | -             | -                                 | 2,837                        | -                 | -                 | -                 | -                 | -                         | -                 | -              | 290,574              | 108,568          | -              | 273,522        |   |
| Total Connection & System Charges       | -                        | -                   | 877,052                     | -                   | -             | -                                 | 34,987                       | -                 | -                 | -                 | -                 | -                         | -                 | -              | 912,039              | 767,325          | 741,000        | 906,725        |   |
| Other Miscellaneous Revenues            |                          |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   |                |                      |                  |                |                |   |
| Other Income                            | -                        | -                   | 28,237                      | -                   | 883           | -                                 | 750                          | 427               | 29                | 177               | 15                | 280                       | 44                | 103            | 30,944               | 29,220           | 35,500         | 93,928         |   |
| Total Other Miscellaneous Revenues      | -                        | -                   | 28,237                      | -                   | 883           | -                                 | 750                          | 427               | 29                | 177               | 15                | 280                       | 44                | 103            | 30,944               | 29,220           | 35,500         | 93,928         |   |
| Total Operating Revenues                | -                        | -                   | 11,875,761                  | 237,898             | 96,386        | 8,360                             | 319,997                      | 89,291            | 6,972             | 36,916            | 11,138            | 24,110                    | 13,261            | 22,332         | 12,742,423           | 11,342,949       | 11,358,510     | 10,948,822     |   |
| Operating Expenses:                     |                          |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   |                |                      |                  |                |                |   |
| Personnel                               |                          |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   |                |                      |                  |                |                |   |
| Salaries and Wages                      | 658,245                  | -                   | 910,116                     | 29,604              | 12,732        | 16,505                            | 73,137                       | 13,187            | 15,474            | 29,881            | 22,548            | 16,411                    | 17,617            | 28,805         | 1,844,261            | 1,460,145        | 1,783,421      | 1,568,044      |   |
| Overtime                                | 1,434                    | -                   | 108,218                     | 6,313               | 2,035         | 1,010                             | 11,392                       | 1,363             | 1,761             | 4,393             | 2,815             | 1,749                     | 1,386             | 1,163          | 145,031              | 86,511           | 96,833         | 92,322         |   |
| Taxes                                   | 52,991                   | -                   | 78,621                      | 2,760               | 1,160         | 1,388                             | 6,562                        | 1,156             | 1,363             | 2,682             | 2,002             | 1,433                     | 1,516             | 2,404          | 156,038              | 117,282          | 144,062        | 124,429        |   |
| Fringe Benefits                         | 356,459                  | -                   | 600,945                     | 21,112              | 8,876         | 10,619                            | 50,201                       | 8,844             | 10,433            | 20,518            | 15,317            | 10,962                    | 11,593            | 18,393         | 1,144,272            | 719,866          | 1,082,607      | 617,351        |   |
| Other Personnel Related                 | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | 20,246         | -              | - |
| Total Personnel                         | 1,069,128                | -                   | 1,697,900                   | 59,790              | 24,802        | 29,522                            | 141,293                      | 24,550            | 29,032            | 57,473            | 42,681            | 30,554                    | 32,112            | 50,765         | 3,289,603            | 2,383,805        | 3,127,169      | 2,402,145      |   |
| Purchase of Services                    |                          |                     |                             |                     |               |                                   |                              |                   |                   |                   |                   |                           |                   |                |                      |                  |                |                |   |
| General & Administrative                | (1,095,178)              | -                   | 1,527,515                   | 10,654              | 22,395        | 5,358                             | 126,665                      | 22,314            | 5,264             | 10,353            | 7,729             | 5,532                     | 5,851             | 9,282          | 663,734              | 263,018          | 130,143        | (4,664)        |   |
| Utilities                               | 19,849                   | -                   | 420,418                     | 17,754              | 234           | 5,768                             | 28,450                       | 1,530             | 6,268             | 16,086            | 4,969             | 7,623                     | 7,839             | 7,129          | 543,917              | 461,746          | 616,038        | 432,898        |   |
| Compliance                              | 6,201                    | -                   | 28,000                      | 2,458               | 2,373         | 873                               | 4,500                        | 1,410             | 675               | 1,410             | 873               | 873                       | 873               | 873            | 51,392               | 57,482           | 67,745         | 57,166         |   |
| Contract Operating Svcs                 | -                        | -                   | 2,520                       | 2,240               | -             | 1,850                             | 10,400                       | -                 | 2,240             | 7,640             | 2,240             | 2,240                     | 2,600             | 4,300          | 38,270               | 54,460           | 38,270         | 53,784         |   |
| Engineering                             | -                        | -                   | 55,000                      | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | 55,000               | 52,960           | 42,000         | 52,245         |   |
| Extraordinary Expenditures              | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Exceptional Strength Analysis           | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Fleet Management Services               | -                        | -                   | 28,000                      | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | 28,000               | 59,426           | 24,500         | 23,937         |   |
| General Analyses                        | -                        | -                   | 40,000                      | 4,000               | 900           | 2,600                             | 5,000                        | 1,000             | 700               | 5,800             | 2,400             | 3,000                     | 2,160             | 5,076          | 72,636               | 35,591           | 83,856         | 21,403         |   |
| Industrial Meter Testing                | -                        | -                   | 8,500                       | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | 8,500                | -                | 7,500          | -              |   |
| Maintenance Services                    | -                        | -                   | 242,453                     | 36,350              | 16,000        | 2,800                             | 34,600                       | 550               | 3,150             | 53,000            | 7,900             | 5,550                     | 5,100             | 7,400          | 414,853              | 182,946          | 401,803        | 385,878        |   |
| Miscellaneous Services                  | -                        | -                   | 24,750                      | 50                  | -             | 100                               | 25                           | -                 | -                 | -                 | 100               | -                         | -                 | -              | 25,025               | 110,964          | 83,300         | 109,428        |   |
| Rental                                  | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Residuals                               | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Water Purchases                         | -                        | -                   | 2,210,400                   | -                   | 26,000        | -                                 | 458,000                      | 130,000           | -                 | -                 | -                 | -                         | -                 | -              | 2,824,400            | 1,990,262        | 2,149,400      | 1,977,750      |   |
| System Planning / Capital Management    | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| LCA WWTP Treatment/Removals             | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Treatment and Transportation            | -                        | -                   | -                           | -                   | -             | -                                 | -                            | -                 | -                 | -                 | -                 | -                         | -                 | -              | -                    | -                | -              | -              | - |
| Total Purchase of Services              | (1,069,128)              | -                   | 4,587,556                   | 73,505              | 67,902        | 19,349                            | 667,640                      | 156,803           | 18,297            | 94,290            | 26,211            | 24,818                    | 24,422            | 34,060         | 4,725,726            | 3,268,855        | 3,644,555      | 3,109,825      |   |

LEHIGH COUNTY AUTHORITY  
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND  
2021 Budget and Comparative Prior Period Data

|                                      | Suburban - Water Systems |                     |                             |                     |               |                      |                              |                   |                   |                   |                   |                      |                   | Total          |                  |                |                |
|--------------------------------------|--------------------------|---------------------|-----------------------------|---------------------|---------------|----------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|----------------------|-------------------|----------------|------------------|----------------|----------------|
|                                      | Int Serv<br>100          | Undesignated<br>200 | Western Lehigh Service Area |                     |               | S. Lehigh            | Northern Lehigh Service Area |                   |                   |                   |                   | Northampton          | Buss Acres<br>210 | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020 | Actual<br>2019 |
|                                      |                          |                     | Central Lehigh<br>201       | Arcadia West<br>211 | Emmaus<br>209 | Beverly Hills<br>207 | North Whiteha<br>202         | Washington<br>203 | Mill Creek<br>204 | Heidelberg<br>205 | PL of Lynn<br>206 | Madison North<br>221 |                   |                |                  |                |                |
| Materials & Supplies                 | -                        | -                   | 45,000                      | 3,300               | -             | 200                  | 900                          | -                 | 300               | 800               | 200               | 200                  | 7,300             | 58,400         | 38,899           | 59,600         | 38,611         |
| Purification Chemicals               | -                        | -                   | 27,000                      | 2,200               | -             | 1,800                | 2,100                        | 3,800             | 4,200             | 2,500             | 3,447             | 3,100                | 1,800             | 56,047         | 36,043           | 60,000         | 35,487         |
| Purification Supplies                | -                        | -                   | 21,500                      | 5,050               | -             | 1,400                | 4,500                        | -                 | 150               | 6,300             | -                 | 2,500                | 2,950             | 46,000         | 46,176           | 37,900         | 45,610         |
| Misc. Materials & Supplies           | -                        | -                   | 36,480                      | 900                 | -             | 300                  | 3,000                        | 50                | 1,000             | 2,200             | 300               | 1,000                | 700               | 46,430         | 39,182           | 41,524         | 38,648         |
| Fuel & Mileage                       | -                        | -                   | 45,500                      | 1,800               | 800           | 950                  | 4,600                        | 1,250             | 950               | 1,350             | 950               | 900                  | 1,000             | 61,150         | 43,828           | 66,300         | 43,382         |
| Fleet Management Supplies            | -                        | -                   | 3,800                       | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 3,800          | 5,018            | 2,500          | 2,036          |
| Equipment                            | -                        | -                   | 67,865                      | 6,800               | -             | 7,000                | 7,000                        | -                 | 1,800             | 11,800            | 2,800             | -                    | 12,600            | 117,815        | 71,693           | 139,720        | 70,589         |
| Leased Equipment                     | -                        | -                   | 46,000                      | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 46,000         | -                | 46,000         | -              |
| Distribution & Transmission Supplies | -                        | -                   | 78,600                      | 810                 | 4,600         | 300                  | 18,500                       | 4,210             | 1,200             | 1,500             | 1,720             | -                    | -                 | 111,940        | 128,665          | 109,460        | 127,546        |
| Collection System Supplies           | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | -                | -              | -              |
| Total Materials & Supplies           | -                        | -                   | 371,745                     | 20,860              | 5,400         | 11,950               | 40,600                       | 9,310             | 9,600             | 26,450            | 9,417             | 7,700                | 19,250            | 547,582        | 409,504          | 563,004        | 401,908        |
| Depreciation and Amortization        | -                        | -                   | 2,605,699                   | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 2,605,699      | 2,644,500        | 2,750,000      | 2,602,179      |
| Other Expenses                       | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | -                | -              | -              |
| Major Maintenance Expenses           | -                        | 3,400               | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 3,400          | 3,400            | 3,400          | -              |
| Other Miscellaneous                  | -                        | -                   | 74,864                      | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 74,864         | 72,684           | -              | 113,254        |
| Total Other Expenses                 | -                        | 3,400               | 74,864                      | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 78,264         | 76,084           | 3,400          | 113,254        |
| Total Operating Expenses             | -                        | 3,400               | 9,337,765                   | 154,155             | 98,104        | 60,822               | 849,533                      | 190,663           | 56,928            | 178,213           | 78,310            | 63,073               | 75,785            | 11,246,874     | 8,782,748        | 10,088,128     | 8,629,311      |
| Net Operating Profit (Loss)          | -                        | (3,400)             | 2,537,996                   | 83,744              | (1,718)       | (52,461)             | (529,536)                    | (101,372)         | (49,956)          | (141,297)         | (67,171)          | (38,962)             | (62,523)          | 1,495,549      | 2,560,201        | 1,270,382      | 2,319,511      |
| Non-Operating Income (Expense)       | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | -                | -              | -              |
| Investment Earnings                  | -                        | 72,039              | 22,288                      | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 94,327         | 89,072           | 160,000        | 179,193        |
| Interest (Expense)                   | -                        | (13,616)            | (1,388,787)                 | -                   | -             | -                    | -                            | (3,925)           | -                 | -                 | -                 | -                    | -                 | (1,406,328)    | (1,436,287)      | (1,508,789)    | (1,545,029)    |
| Capital Contributed                  | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | -                | -              | 1,716,419      |
| Other Miscellaneous                  | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | -                | -              | -              |
| Net Non-Operating Income (Expense)   | -                        | 58,423              | (1,366,499)                 | -                   | -             | -                    | -                            | (3,925)           | -                 | -                 | -                 | -                    | -                 | (1,312,001)    | (1,347,215)      | (1,348,789)    | 350,583        |
| Net Income (Loss)                    | -                        | 55,023              | 1,171,497                   | 83,744              | (1,718)       | (52,461)             | (529,536)                    | (105,297)         | (49,956)          | (141,297)         | (67,171)          | (38,962)             | (62,523)          | 183,548        | 1,212,986        | (78,407)       | 2,670,094      |

LEHIGH COUNTY AUTHORITY  
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND  
2021 Budget and Comparative Prior Period Data

|   | Suburban - Wastewater Systems |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     | Total          |                  |                |                |
|---|-------------------------------|-------------------|---------------|---------------|-------------------|----------------------|------------------|-------------------|--------------------|---------------------|-------------|-------------------|------------------|-------------|---------------------|----------------|------------------|----------------|----------------|
|   | Int Serv<br>100               | Interceptor Group |               |               | CRCS              |                      |                  |                   |                    | W.Weisenberg        |             |                   |                  |             |                     | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020 | Actual<br>2019 |
|   |                               | WLI<br>312        | LLRI 1<br>313 | LLRI 2<br>314 | Heidelberg<br>305 | Upper Milford<br>315 | Wynnewood<br>316 | Weisenberg<br>317 | Sand Spring<br>319 | Lowhill Twp.<br>323 | NLSA<br>318 | Washington<br>303 | Lynn Twp.<br>322 | WWTP<br>320 | Arcadia West<br>311 |                |                  |                |                |
| Operating Revenues:                     |                               |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| User Charges                            |                               |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Large Industrial                        |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Other Industrial/Commercial             |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | 49,962              | -              | 49,962           | 29,365         | 40,000         |
| Residential                             |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Penalties                               |                               | 155,954           | -             | -             | 2,089             | 6,741                | 1,782            | 952               | 48                 | 195                 | -           | (0)               | 11,300           | 7,428       | 2,686               | -              | 189,176          | 173,556        | 261,950        |
| Private Fire Service                    |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Public Fire Service                     |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| User Charges - Municipal                |                               | 8,539,091         | 573,623       | 52,466        | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 9,165,180        | 6,354,798      | 7,713,159      |
| User Charges - Residential & Commercial |                               | -                 | -             | -             | 78,939            | 383,634              | 152,274          | 61,619            | 96,005             | 14,648              | -           | 0                 | 352,882          | 4,213,802   | 339,440             | -              | 5,693,243        | 5,727,709      | 5,035,059      |
| User Charges - Hauler                   |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 3,876,343        | 3,109,771      | 3,249,705      |
| Hauler Fees                             |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 31,828           | 16,000         | 15,000         |
| Industrial Charges                      |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 58,860           | 71,232         | -              |
| Industrial Pretreatment Revenues        |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Municipal                               |                               | 35,058            | -             | -             | -                 | 20,854               | -                | 1,097             | -                  | -                   | -           | -                 | -                | 945         | -                   | -              | 57,954           | 86,947         | 130,100        |
| Leachate Program Revenues               |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Other Income                            |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | 10,066         | 1,009          |
| Other Water Sales                       |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Provision for Doubtful Debts            |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Total Charges for Services              |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | (314,537)      |
| Rental Income                           | -                             | 8,730,103         | 573,623       | 52,466        | 81,028            | 411,229              | 154,057          | 63,667            | 96,054             | 14,842              | -           | 0                 | 364,183          | 8,189,207   | 392,088             | -              | 19,122,546       | 15,579,443     | 16,445,982     |
| Miscellaneous                           | -                             | 23,604            | 90            | -             | -                 | 101                  | -                | 73                | 75                 | -                   | -           | -                 | 101              | 19,776      | 3                   | -              | 43,823           | 47,381         | 172            |
| Total User Charges                      | -                             | 8,753,707         | 573,713       | 52,466        | 81,028            | 411,330              | 154,057          | 63,740            | 96,129             | 14,842              | -           | 0                 | 364,283          | 8,208,982   | 392,091             | -              | 19,166,369       | 15,626,824     | 16,446,154     |
| Connection & System Charges             |                               |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Supply/Tapping Fees                     |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Capital Cost Recovery                   |                               | 278,869           | 80,644        | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 359,513          | 1,525,234      | 295,000        |
| Distribution Tapping Fees               |                               | 460,023           | -             | -             | 15,562            | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 475,585          | 1,871,089      | 505,000        |
| Meter Sales                             |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Inspection & Review Fees                |                               | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | 857            | 45,282         |
| Developer Reimbursement                 |                               | -                 | -             | -             | -                 | 28,361               | -                | 265               | 784                | -                   | -           | -                 | 1,080            | -           | -                   | -              | 30,489           | 4,507          | -              |
| Total Connection & System Charges       | -                             | 738,892           | 80,644        | -             | 15,562            | 28,361               | -                | 265               | 784                | -                   | -           | -                 | 1,080            | -           | -                   | -              | 865,588          | 3,401,686      | 845,282        |
| Other Miscellaneous Revenues            |                               |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Other Income                            | -                             | -                 | -             | -             | -                 | 250                  | 66               | -                 | -                  | -                   | -           | 89                | 210              | -           | 13                  | -              | 628              | 593            | 1,000          |
| Total Other Miscellaneous Revenues      | -                             | -                 | -             | -             | -                 | 250                  | 66               | -                 | -                  | -                   | -           | 89                | 210              | -           | 13                  | -              | 628              | 593            | 1,000          |
| Total Operating Revenues                | -                             | 9,492,600         | 654,358       | 52,466        | 96,590            | 439,940              | 154,122          | 64,005            | 96,913             | 14,842              | -           | 89                | 365,573          | 8,208,982   | 392,104             | -              | 20,032,585       | 19,029,103     | 17,292,436     |
| Operating Expenses:                     |                               |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Personnel                               |                               |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Salaries and Wages                      | 323,524                       | 143,616           | 61,585        | 6,677         | 58,650            | 53,191               | 48,712           | 4,331             | 36,299             | 1,423               | -           | 4,385             | 84,555           | 26,180      | 53,470              | -              | 906,600          | 640,256        | 876,544        |
| Overtime                                | 983                           | 9,437             | 2,553         | 1,109         | 1,646             | 588                  | 1,295            | 278               | 1,445              | -                   | -           | 528               | 606              | -           | 1,653               | -              | 22,120           | 61,971         | 66,386         |
| Taxes                                   | 24,453                        | 11,925            | 5,050         | 572           | 4,763             | 4,271                | 3,973            | 357               | 2,965              | 113                 | -           | 407               | 6,734            | 2,062       | 4,361               | -              | 72,005           | 60,492         | 66,478         |
| Fringe Benefits                         | 146,448                       | 153,914           | 65,177        | 7,381         | 61,476            | 55,121               | 51,293           | 4,615             | 38,262             | 1,446               | -           | 5,259             | 86,921           | 26,612      | 56,304              | -              | 760,228          | 367,662        | 444,778        |
| Other Personnel Related                 | -                             | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | 10,277         | -              |
| Total Personnel                         | 495,408                       | 318,892           | 134,365       | 15,740        | 126,534           | 113,171              | 105,274          | 9,581             | 78,970             | 2,981               | -           | 10,579            | 178,816          | 54,854      | 115,788             | -              | 1,760,954        | 1,130,381      | 1,464,464      |
| Purchase of Services                    |                               |                   |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| General & Administrative                | (511,536)                     | 231,953           | 98,113        | 11,112        | 18,506            | 82,976               | 15,440           | 1,389             | 11,518             | 435                 | -           | 7,915             | 130,842          | 39,803      | 16,948              | -              | 155,415          | 119,091        | (36,072)       |
| Utilities                               | 15,503                        | 111,216           | 203,488       | 116           | 11,747            | 544                  | 32,292           | 96                | 15,037             | -                   | -           | 214               | 31,612           | -           | 27,620              | -              | 449,485          | 369,199        | 481,172        |
| Compliance                              | 624                           | -                 | 125           | -             | 5,375             | -                    | 1,441            | -                 | 1,441              | -                   | -           | -                 | 1,753            | -           | 815                 | -              | 11,574           | 23,766         | 6,819          |
| Contract Operating Svcs                 | -                             | -                 | -             | -             | 9,000             | -                    | 15,000           | -                 | 12,200             | -                   | -           | -                 | -                | 5,389,877   | -                   | -              | 5,426,077        | 5,552,783      | 5,725,909      |
| Engineering                             | -                             | -                 | 5,000         | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | 60,000      | 2,000               | -              | 67,000           | 106,150        | 67,000         |
| Extraordinary Expenditures              | -                             | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Exceptional Strength Analysis           | -                             | 43,000            | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 43,000           | -              | 43,000         |
| Fleet Management Services               | -                             | 16,000            | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 16,000           | 10,701         | 18,000         |
| General Analyses                        | -                             | 3,300             | -             | -             | 20,000            | -                    | 7,000            | -                 | 5,000              | -                   | -           | -                 | 7,000            | 500         | 10,000              | -              | 52,800           | 54,920         | 52,800         |
| Industrial Meter Testing                | -                             | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Maintenance Services                    | -                             | 107,750           | 81,800        | 8,000         | 48,350            | 3,000                | 29,200           | -                 | 9,400              | 5,000               | -           | 19,000            | 61,200           | 1,000       | 16,000              | -              | 389,700          | 161,207        | 329,300        |
| Miscellaneous Services                  | -                             | 4,650             | 300           | -             | 1,850             | -                    | 1,300            | -                 | 305                | -                   | -           | 1,300             | 315              | 89,900      | 305                 | -              | 100,225          | 30,070         | 93,400         |
| Rental                                  | -                             | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | 73,748         |
| Residuals                               | -                             | -                 | -             | -             | 10,000            | -                    | 20,000           | -                 | 10,000             | -                   | -           | -                 | 48,000           | -           | 15,000              | -              | 103,000          | 37,893         | 101,000        |
| Water Purchases                         | -                             | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| System Planning / Capital Management    | -                             | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| LCA WWTP Treatment/Removals             | -                             | -                 | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Treatment and Transportation            | -                             | 3,687,295         | -             | -             | -                 | 251,355              | -                | 31,282            | -                  | 7,607               | -           | -                 | -                | -           | -                   | -              | 3,977,539        | 3,409,122      | 3,327,679      |
| Total Purchase of Services              | (495,408)                     | 4,205,164         | 388,826       | 19,228        | 124,828           | 337,876              | 121,673          | 32,767            | 64,901             | 13,042              | -           | 28,428            | 280,721          | 5,581,080   | 88,688              | -              | 10,791,815       | 9,874,901      | 10,283,755     |

LEHIGH COUNTY AUTHORITY  
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND  
2021 Budget and Comparative Prior Period Data

|                                      | Suburban - Wastewater Systems |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     | Total          |                  |                |                |
|--------------------------------------|-------------------------------|------------|---------------|---------------|-------------------|----------------------|------------------|-------------------|--------------------|---------------------|-------------|-------------------|------------------|-------------|---------------------|----------------|------------------|----------------|----------------|
|                                      | Interceptor Group             |            |               |               | CRCS              |                      |                  |                   |                    |                     |             |                   |                  |             | W.Weisenberg        | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020 | Actual<br>2019 |
|                                      | Int Serv<br>100               | WLI<br>312 | LLRI 1<br>313 | LLRI 2<br>314 | Heidelberg<br>305 | Upper Milford<br>315 | Wynnewood<br>316 | Weisenberg<br>317 | Sand Spring<br>319 | Lowhill Twp.<br>323 | NLSA<br>318 | Washington<br>303 | Lynn Twp.<br>322 | WWTP<br>320 | Arcadia West<br>311 |                |                  |                |                |
| Materials & Supplies                 |                               |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Purification Chemicals               | -                             | -          | -             | -             | 8,800             | -                    | 9,200            | -                 | 15,200             | -                   | -           | -                 | 39,900           | -           | 13,800              | 86,900         | 59,950           | 88,650         | 59,472         |
| Purification Supplies                | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Pump Supplies                        | -                             | 3,000      | 5,000         | -             | 10,000            | -                    | 6,500            | -                 | 3,000              | -                   | -           | 1,500             | 10,500           | -           | 7,000               | 46,500         | 13,955           | 44,100         | 8,467          |
| Misc. Materials & Supplies           | -                             | 36,728     | 5,200         | 1,500         | 24,300            | 2,300                | 7,750            | 2,200             | 6,500              | 2,000               | -           | 1,400             | 16,600           | 6,500       | 17,300              | 130,278        | 52,874           | 121,209        | 52,361         |
| Fuel & Mileage                       | -                             | 10,000     | 3,000         | 350           | 1,500             | 650                  | 3,200            | 350               | 2,600              | 150                 | -           | 500               | 3,600            | 43,250      | 1,000               | 70,150         | 19,739           | 27,000         | 19,538         |
| Fleet Management Supplies            | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 1,130            | 1,500          | 1,114          |
| Equipment                            | -                             | 30,835     | 13,000        | 15,000        | 54,000            | 3,000                | 5,700            | 200               | 9,200              | 1,000               | -           | -                 | 23,000           | 1,000       | 10,800              | 166,735        | 47,810           | 147,680        | 47,477         |
| Leased Equipment                     | -                             | 148,645    | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 148,645        | 145,731          | 145,000        | 144,765        |
| Distribution & Transmission Supplies | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Collection System Supplies           | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Total Materials & Supplies           | -                             | 229,208    | 26,200        | 16,850        | 98,600            | 5,950                | 32,350           | 2,750             | 36,500             | 3,150               | -           | 3,400             | 93,600           | 50,750      | 49,900              | 649,208        | 341,189          | 575,139        | 333,195        |
| Depreciation and Amortization        | -                             | 578,562    | 65,511        | 54,788        | 21,011            | 90,073               | 24,697           | 10,188            | 3,412              | -                   | -           | -                 | 122,884          | 3,508,976   | 136,680             | 4,616,783      | 4,667,252        | 4,603,000      | 4,571,072      |
| Other Expenses                       |                               |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Major Maintenance Expenses           | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | 1,000,000   | -                   | 1,000,000      | 1,000,000        | 1,000,000      | -              |
| Other Miscellaneous                  | -                             | 27,102     | 4,814         | 704           | -                 | 1,040                | -                | -                 | -                  | -                   | -           | 502               | 11,204           | 1,056       | -                   | 46,422         | 45,070           | 32,288         | 43,757         |
| Total Other Expenses                 | -                             | 27,102     | 4,814         | 704           | -                 | 1,040                | -                | -                 | -                  | -                   | -           | 502               | 11,204           | 1,001,056   | -                   | 1,046,422      | 1,045,070        | 1,032,288      | 43,757         |
| Total Operating Expenses             | -                             | 5,358,928  | 619,717       | 107,310       | 370,974           | 548,109              | 283,994          | 55,286            | 183,784            | 19,173              | -           | 42,909            | 687,226          | 10,196,716  | 391,056             | 18,865,181     | 17,058,793       | 17,958,646     | 16,287,508     |
| Net Operating Profit (Loss)          | -                             | 4,133,671  | 34,641        | (54,844)      | (274,384)         | (108,169)            | (129,872)        | 8,719             | (86,871)           | (4,330)             | -           | (42,820)          | (321,652)        | (1,987,734) | 1,048               | 1,167,404      | 1,970,310        | (666,210)      | (608,064)      |
| Non-Operating Income (Expense)       |                               |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Investment Earnings                  | -                             | 128,412    | 2,578         | 59,098        | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | 382                 | 190,471        | 179,859          | 200,000        | 332,846        |
| Interest (Expense)                   | -                             | (72,134)   | -             | -             | (6,250)           | -                    | (57,507)         | -                 | (1,675)            | -                   | -           | (14,835)          | -                | -           | (29,594)            | (181,995)      | (195,887)        | (803,082)      | (213,115)      |
| Capital Contributed                  | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | 15,000         |
| Other Miscellaneous                  | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              | -              |
| Net Non-Operating Income (Expense)   | -                             | 56,278     | 2,578         | 59,098        | (6,250)           | -                    | (57,507)         | -                 | (1,675)            | -                   | -           | (14,835)          | -                | -           | (29,212)            | 8,475          | (16,028)         | (603,082)      | 134,731        |
| Net Income (Loss)                    | -                             | 4,189,949  | 37,219        | 4,254         | (280,634)         | (108,169)            | (187,379)        | 8,719             | (88,546)           | (4,330)             | -           | (57,655)          | (321,652)        | (1,987,734) | (28,163)            | 1,175,879      | 1,954,282        | (1,269,292)    | (473,333)      |

LEHIGH COUNTY AUTHORITY  
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND  
2021 Budget and Comparative Prior Period Data

|   | City Division       |                 |            |             |             |               |            | Total          |                  |                |                |
|---|---------------------|-----------------|------------|-------------|-------------|---------------|------------|----------------|------------------|----------------|----------------|
|   | Undesignated<br>400 | Int Serv<br>490 | WFP<br>491 | DIST<br>492 | WWTP<br>493 | WWCOLL<br>494 | LAB<br>495 | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020 | Actual<br>2019 |
| Operating Revenues:                     |                     |                 |            |             |             |               |            |                |                  |                |                |
| User Charges                            |                     |                 |            |             |             |               |            |                |                  |                |                |
| Large Industrial                        | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| Other Industrial/Commercial             | -                   | -               | -          | 3,941,434   | -           | -             | -          | 3,941,434      | 3,597,900        | 3,786,200      | 3,822,489      |
| Residential                             | -                   | -               | -          | 12,346,260  | -           | -             | -          | 12,346,260     | 11,905,279       | 11,860,000     | 11,488,844     |
| Penalties                               | -                   | -               | -          | 101,545     | -           | 191,906       | -          | 293,452        | 281,894          | 456,782        | 510,752        |
| Private Fire Service                    | -                   | -               | -          | 78,130      | -           | -             | -          | 78,130         | 55,652           | 75,053         | 59,377         |
| Public Fire Service                     | -                   | -               | -          | -           | -           | -             | -          | -              | -                | 1,000          | 585            |
| User Charges - Municipal                | -                   | -               | -          | -           | -           | 6,538,225     | -          | 6,538,225      | 6,320,851        | 6,419,939      | 6,559,055      |
| User Charges - Residential & Commercial | -                   | -               | -          | -           | -           | 13,449,887    | -          | 13,449,887     | 9,102,181        | 9,302,597      | 9,270,882      |
| User Charges - Hauler                   | -                   | -               | -          | -           | 54,132      | -             | -          | 54,132         | 78,765           | 76,647         | 90,380         |
| Hauler Fees                             | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| Industrial Charges                      | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| Industrial Pretreatment Revenues        | -                   | -               | -          | -           | 82,014      | -             | -          | 82,014         | 97,656           | 95,615         | 127,183        |
| Municipal                               | -                   | -               | -          | -           | -           | 28,260        | 12,204     | 40,464         | 63,378           | 75,000         | 133,226        |
| Leachate Program Revenues               | -                   | -               | -          | -           | 582,828     | -             | -          | 582,828        | 681,679          | 1,040,598      | 1,050,769      |
| Other Income                            | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | 4,193          |
| Other Water Sales                       | -                   | -               | -          | 4,240,523   | -           | -             | -          | 4,240,523      | 3,579,663        | 3,669,946      | 3,779,627      |
| Provision for Doubtful Debts            | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | (239,800)      |
| Total Charges for Services              | -                   | -               | -          | 20,707,893  | 718,974     | 20,208,278    | 12,204     | 41,647,349     | 35,764,897       | 36,859,377     | 36,657,562     |
| Rental Income                           | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| Miscellaneous                           | -                   | -               | -          | -           | 349,165     | -             | -          | 349,165        | 223,554          | 456,111        | 418,299        |
| Total User Charges                      | -                   | -               | -          | 20,707,893  | 1,068,139   | 20,208,278    | 12,204     | 41,996,514     | 35,988,451       | 37,315,488     | 37,075,861     |
| Connection & System Charges             |                     |                 |            |             |             |               |            |                |                  |                |                |
| Supply/Tapping Fees                     | -                   | -               | -          | 22,342      | -           | -             | -          | 22,342         | 3,579            | 18,500         | 21,462         |
| Capital Cost Recovery                   | -                   | -               | -          | 884,740     | -           | 265,495       | -          | 1,150,235      | 1,405,513        | 1,397,000      | 1,105,691      |
| Distribution Tapping Fees               | -                   | -               | -          | 384,136     | -           | 216,696       | -          | 600,832        | 51,834           | 119,200        | 579,975        |
| Meter Sales                             | -                   | -               | -          | 23,387      | -           | -             | -          | 23,387         | 39,787           | 292,000        | 22,466         |
| Inspection & Review Fees                | -                   | -               | -          | 17,806      | -           | 13,763        | -          | 31,569         | 39,345           | 180,100        | 30,326         |
| Developer Reimbursement                 | 2,110,000           | -               | -          | 7,336       | -           | 2,279         | -          | 2,119,615      | 895,199          | 2,315,000      | 418,075        |
| Total Connection & System Charges       | 2,110,000           | -               | -          | 1,339,748   | -           | 498,233       | -          | 3,947,981      | 2,435,257        | 4,321,800      | 2,177,994      |
| Other Miscellaneous Revenues            |                     |                 |            |             |             |               |            |                |                  |                |                |
| Other Income                            | -                   | -               | -          | 48,026      | -           | -             | 11,222     | 59,249         | 56,915           | 35,000         | 59,659         |
| Total Other Miscellaneous Revenues      | -                   | -               | -          | 48,026      | -           | -             | 11,222     | 59,249         | 56,915           | 35,000         | 59,659         |
| Total Operating Revenues                | 2,110,000           | -               | -          | 22,095,667  | 1,068,139   | 20,706,511    | 23,427     | 46,003,744     | 38,480,623       | 41,672,288     | 39,313,514     |
| Operating Expenses:                     |                     |                 |            |             |             |               |            |                |                  |                |                |
| Personnel                               |                     |                 |            |             |             |               |            |                |                  |                |                |
| Salaries and Wages                      | -                   | 1,742,509       | 1,126,334  | 1,083,260   | 2,154,535   | 791,120       | 376,783    | 7,274,541      | 7,450,238        | 6,960,095      | 6,770,792      |
| Overtime                                | -                   | 9,366           | 284,511    | 124,254     | 400,266     | 46,975        | 10,688     | 876,060        | 718,269          | 653,671        | 690,010        |
| Taxes                                   | -                   | 137,726         | 106,480    | 92,843      | 195,009     | 65,181        | 30,320     | 627,558        | 642,823          | 660,698        | 553,262        |
| Fringe Benefits                         | -                   | 688,402         | 455,400    | 397,072     | 834,019     | 278,766       | 129,676    | 2,783,335      | 3,334,212        | 2,509,645      | 3,373,868      |
| Other Personnel Related                 | -                   | -               | -          | -           | -           | -             | -          | -              | -                | 85,751         | -              |
| Total Personnel                         | -                   | 2,578,004       | 1,972,725  | 1,697,428   | 3,583,829   | 1,182,041     | 547,467    | 11,561,494     | 12,145,543       | 10,869,860     | 11,387,931     |
| Purchase of Services                    |                     |                 |            |             |             |               |            |                |                  |                |                |
| General & Administrative                | -                   | (2,676,417)     | 960,179    | 837,199     | 1,757,284   | 587,759       | 273,413    | 1,739,417      | 1,488,173        | 1,648,481      | 1,810,565      |
| Utilities                               | -                   | 82,488          | 902,633    | 32,360      | 1,107,975   | 29,063        | -          | 2,154,519      | 1,878,480        | 2,199,029      | 2,083,543      |
| Compliance                              | -                   | 15,925          | -          | -           | -           | -             | 18,598     | 34,523         | -                | -              | -              |
| Contract Operating Svcs                 | -                   | -               | -          | 2,500       | -           | 102,400       | -          | 104,900        | 114,227          | 116,200        | 113,503        |
| Engineering                             | -                   | -               | 15,500     | -           | 16,000      | -             | -          | 31,500         | 67,802           | 31,500         | 67,162         |
| Extraordinary Expenditures              | -                   | -               | 5,000      | 25,000      | -           | -             | -          | 30,000         | -                | 30,000         | 15,176         |
| Exceptional Strength Analysis           | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| Fleet Management Services               | -                   | -               | 5,000      | 50,000      | 55,000      | 40,000        | -          | 150,000        | 187,795          | 157,000        | 186,521        |
| General Analyses                        | -                   | -               | -          | -           | 18,000      | -             | 29,285     | 47,285         | 15,934           | 37,000         | 15,905         |
| Industrial Meter Testing                | -                   | -               | 1,000      | 5,000       | -           | -             | -          | 6,000          | -                | 6,000          | 250            |
| Maintenance Services                    | -                   | -               | 252,550    | 150,325     | 255,414     | 111,975       | 14,007     | 784,271        | 672,380          | 1,105,318      | 665,386        |
| Miscellaneous Services                  | -                   | -               | 112,750    | 67,750      | 31,613      | 37,300        | 3,000      | 252,413        | 178,613          | 199,493        | 176,883        |
| Rental                                  | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| Residuals                               | -                   | -               | 30,000     | -           | 344,580     | -             | -          | 374,580        | 297,804          | 374,580        | 295,039        |
| Water Purchases                         | -                   | -               | -          | -           | -           | -             | -          | -              | 154              | 1,500          | 52             |
| System Planning / Capital Management    | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| LCA WWTP Treatment/Removals             | -                   | -               | -          | -           | -           | -             | -          | -              | -                | -              | -              |
| Treatment and Transportation            | -                   | -               | -          | -           | -           | 12,000        | -          | 12,000         | 11,265           | 12,000         | 9,547          |
| Total Purchase of Services              | -                   | (2,578,004)     | 2,284,611  | 1,170,134   | 3,585,866   | 920,497       | 338,303    | 5,721,407      | 4,912,627        | 5,918,101      | 5,439,534      |

LEHIGH COUNTY AUTHORITY  
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND  
2021 Budget and Comparative Prior Period Data

|                                      | City Division       |                 |             |             |             |               |            | Total          |                  |                |                |
|--------------------------------------|---------------------|-----------------|-------------|-------------|-------------|---------------|------------|----------------|------------------|----------------|----------------|
|                                      | Undesignated<br>400 | Int Serv<br>490 | WFP<br>491  | DIST<br>492 | WWTP<br>493 | WWCOLL<br>494 | LAB<br>495 | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020 | Actual<br>2019 |
| Materials & Supplies                 |                     |                 |             |             |             |               |            |                |                  |                |                |
| Purification Chemicals               | -                   | -               | 342,600     | -           | 460,835     | -             | -          | 803,435        | 534,112          | 743,354        | 530,450        |
| Purification Supplies                | -                   | -               | 14,000      | -           | -           | -             | -          | 14,000         | 12,467           | 14,000         | 12,330         |
| Pump Supplies                        | -                   | -               | 28,750      | -           | 25,000      | -             | -          | 53,750         | 29,049           | 53,750         | 28,880         |
| Misc. Materials & Supplies           | -                   | -               | 71,500      | 25,680      | 264,700     | 103,400       | 22,087     | 487,367        | 396,364          | 533,955        | 392,703        |
| Fuel & Mileage                       | -                   | -               | 7,000       | 29,000      | 46,500      | 29,000        | -          | 111,500        | 100,401          | 112,250        | 99,347         |
| Fleet Management Supplies            | -                   | -               | 2,000       | 3,000       | 5,000       | 4,000         | -          | 14,000         | 34,821           | 29,100         | 16,054         |
| Equipment                            | -                   | -               | 77,100      | 18,740      | 62,300      | 17,800        | 19,650     | 195,590        | 152,676          | 190,840        | 151,176        |
| Leased Equipment                     | -                   | -               | -           | -           | 69,313      | 86,313        | -          | 155,625        | 71,201           | 88,500         | -              |
| Distribution & Transmission Supplies | -                   | -               | -           | 97,000      | -           | -             | -          | 97,000         | 98,350           | 106,200        | 97,771         |
| Collection System Supplies           | -                   | -               | -           | -           | -           | -             | -          | -              | -                | -              | -              |
| Total Materials & Supplies           | -                   | -               | 542,950     | 173,420     | 933,648     | 240,513       | 41,737     | 1,932,267      | 1,429,441        | 1,871,949      | 1,328,712      |
| Depreciation and Amortization        | 5,893,862           | -               | -           | -           | -           | -             | -          | 5,893,862      | 5,880,000        | 5,880,000      | 5,835,507      |
| Other Expenses                       |                     |                 |             |             |             |               |            |                |                  |                |                |
| Major Maintenance Expenses           | 542,924             | -               | -           | -           | -           | -             | -          | 542,924        | 1,287,924        | 2,782,916      | 1,250,412      |
| Other Miscellaneous                  | 2,123,972           | -               | -           | -           | -           | -             | -          | 2,123,972      | 898,805          | -              | 9,373          |
| Total Other Expenses                 | 2,666,896           | -               | -           | -           | -           | -             | -          | 2,666,896      | 2,186,729        | 2,782,916      | 1,259,785      |
| Total Operating Expenses             | 8,560,758           | -               | 4,800,286   | 3,040,983   | 8,103,342   | 2,343,050     | 927,507    | 27,775,927     | 26,554,340       | 27,322,826     | 25,251,468     |
| Net Operating Profit (Loss)          | (6,450,758)         | -               | (4,800,286) | 19,054,684  | (7,035,203) | 18,363,461    | (904,081)  | 18,227,817     | 11,926,283       | 14,349,462     | 14,062,046     |
| Non-Operating Income (Expense)       |                     |                 |             |             |             |               |            |                |                  |                |                |
| Investment Earnings                  | 172,960             | -               | -           | -           | -           | -             | -          | 172,960        | 166,148          | 900,000        | 1,193,617      |
| Interest (Expense)                   | (17,535,086)        | -               | -           | -           | -           | -             | -          | (17,535,086)   | (16,578,837)     | (19,356,023)   | (19,386,584)   |
| Capital Contributed                  | -                   | -               | -           | -           | -           | -             | -          | -              | -                | -              | -              |
| Other Miscellaneous                  | -                   | -               | -           | -           | -           | -             | -          | -              | -                | -              | -              |
| Net Non-Operating Income (Expense)   | (17,362,125)        | -               | -           | -           | -           | -             | -          | (17,362,125)   | (16,412,689)     | (18,456,023)   | (18,192,967)   |
| Net Income (Loss)                    | (23,812,883)        | -               | (4,800,286) | 19,054,684  | (7,035,203) | 18,363,461    | (904,081)  | 865,692        | (4,486,406)      | (4,106,561)    | (4,130,921)    |

# Internal Services

## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Internal Service Budgets Overview**

Lehigh County Authority's Internal Service budget serves as a pass-through mechanism to move shared expenses appropriately to the enterprise funds they support.

The Internal Services budget captures expenses in two different categories:

1. **Enterprise Fund Specific** – Internal Service expenses that are specific to the Suburban or City Divisions are shared with those specific enterprise funds based on the services provided to each fund.
2. **Global (Organizational)** – Internal Service expenses that are not specific to one of the Authority's enterprise funds, but which support the organization as a whole, are captured separately in the Global Internal Service budget and allocated to the funds based on a pro-rata share of salaries.

These Internal Service budgets capture expenses related to the following functions: Executive, Human Resources, Risk Management, Planning, Finance, Information Technology, Customer Care and Billing, Capital Works, and General and Administration. By showing these expenses separately, and broken out by function, it allows for increased transparency about the Authority's overhead expenses. The Internal Service expenses outlined in this section of the Authority's 2021 Budget are also captured within the enterprise fund budgets detailed in previous sections of this publication, allocated to those funds based on the methodology described above.



LEHIGH COUNTY AUTHORITY  
INTERNAL SERVICE BREAKDOWN (WITH ALLOCATIONS)  
2021 Budget and Comparative Prior Period Data

|                                      | Suburban<br>Internal Service<br>1 | Suburban<br>Water<br>2 | Suburban<br>Wastewater<br>3 | City<br>Internal Service<br>490 | City<br>Division<br>4 | Lab<br>Compliance<br>495 | Global<br>9 |  |                |                  |                |                |
|--------------------------------------|-----------------------------------|------------------------|-----------------------------|---------------------------------|-----------------------|--------------------------|-------------|--|----------------|------------------|----------------|----------------|
|                                      |                                   |                        |                             |                                 |                       |                          |             |  | YTD            |                  |                |                |
|                                      |                                   |                        |                             |                                 |                       |                          |             |  | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020 | Actual<br>2019 |
| OPERATING FUNDS                      |                                   |                        |                             |                                 |                       |                          |             |  |                |                  |                |                |
| Operating Expenses:                  |                                   |                        |                             |                                 |                       |                          |             |  |                |                  |                |                |
| Personnel                            |                                   |                        |                             |                                 |                       |                          |             |  |                |                  |                |                |
| Salaries and Wages                   | 488,613                           | 1,186,017              | 583,075                     | 591,812                         | 5,155,249             | 376,783                  | 1,643,853   |  | 10,025,402     | 9,550,639        | 9,620,060      | 9,139,597      |
| Overtime                             | 2,416                             | 143,598                | 21,138                      | 9,366                           | 856,006               | 10,688                   | -           |  | 1,043,212      | 866,752          | 816,890        | 848,871        |
| Taxes                                | 38,661                            | 103,047                | 47,552                      | 47,233                          | 459,512               | 30,320                   | 129,276     |  | 855,601        | 820,597          | 871,239        | 744,022        |
| Fringe Benefits                      | 295,774                           | 787,813                | 613,781                     | 205,092                         | 1,965,256             | 129,676                  | 690,443     |  | 4,687,835      | 4,421,740        | 4,037,030      | 4,398,202      |
| Other Personnel Related              | -                                 | -                      | -                           | -                               | -                     | -                        | -           |  | -              | -                | 116,274        | -              |
| Total Personnel                      | 825,465                           | 2,220,475              | 1,265,546                   | 853,503                         | 8,436,024             | 547,467                  | 2,463,573   |  | 16,612,051     | 15,659,728       | 15,461,493     | 15,130,692     |
| Purchase of Services                 |                                   |                        |                             |                                 |                       |                          |             |  |                |                  |                |                |
| General & Administrative:            | (1,310,663)                       | 1,758,911              | 666,951                     | (1,813,702)                     | 4,142,420             | 273,413                  | (3,717,331) |  | -              | (394,475)        | (950,321)      | (703,050)      |
| Temporary Contract Service           | -                                 | -                      | -                           | -                               | -                     | -                        | -           |  | -              | 1,480            | -              | 30,031         |
| Office Related                       | 60,805                            | -                      | -                           | 92,167                          | -                     | -                        | 154,218     |  | 307,189        | 287,698          | 275,136        | 244,703        |
| Computer Software / Hardware         | 29,876                            | -                      | -                           | 17,620                          | -                     | -                        | 381,659     |  | 429,155        | 366,007          | 389,705        | 315,058        |
| Advertising                          | 101                               | -                      | -                           | 203                             | -                     | -                        | 811         |  | 1,116          | 1,094            | 2,750          | 5,622          |
| Audit                                | -                                 | -                      | -                           | -                               | -                     | -                        | 53,040      |  | 53,040         | 52,000           | 52,000         | 51,941         |
| Bank and Credit Card Fees            | 61,237                            | -                      | -                           | 120,241                         | -                     | -                        | 7,245       |  | 188,723        | 185,023          | 175,820        | 175,470        |
| Dues and Subscriptions               | 2,105                             | -                      | -                           | 6,314                           | -                     | -                        | 42,096      |  | 50,515         | 49,525           | 48,000         | 43,485         |
| Travel and Entertainmnet             | 789                               | -                      | -                           | 482                             | -                     | -                        | 5,610       |  | 6,881          | 6,203            | 11,775         | 13,449         |
| Education & Training                 | 26,693                            | -                      | -                           | 67,415                          | -                     | -                        | 106,638     |  | 200,745        | 44,547           | 187,525        | 106,612        |
| Insurance & Risk Management          | 280,294                           | -                      | -                           | 512,591                         | -                     | -                        | 82,829      |  | 875,714        | 871,965          | 831,058        | 854,049        |
| Human Resources and Related          | -                                 | -                      | -                           | -                               | -                     | -                        | 110,850     |  | 110,850        | 74,526           | 177,000        | 70,402         |
| Professional Consulting & Legal      | 8,636                             | -                      | -                           | 115,721                         | -                     | -                        | 55,710      |  | 180,067        | 243,885          | 354,255        | 509,097        |
| Public Relations                     | 14,609                            | -                      | -                           | 27,392                          | -                     | -                        | 107,449     |  | 149,449        | 79,943           | 180,049        | 96,060         |
| Contributions & Sponsorships         | 54                                | -                      | -                           | 54                              | -                     | -                        | 214         |  | 321            | 315              | 3,000          | 349            |
| Activity Committee                   | -                                 | -                      | -                           | -                               | -                     | -                        | 4,800       |  | 4,800          | 545              | 4,800          | 4,631          |
| Utilities                            | -                                 | 524,068                | 433,981                     | -                               | 2,072,031             | -                        | 117,840     |  | 3,147,920      | 2,709,425        | 3,296,239      | 2,890,473      |
| Compliance                           | -                                 | 45,191                 | 10,950                      | -                               | -                     | 18,598                   | 22,750      |  | 97,489         | 81,247           | 74,564         | 61,477         |
| Contract Operating Svcs              | -                                 | 38,270                 | 5,426,077                   | -                               | 104,900               | -                        | -           |  | 5,569,247      | 5,721,471        | 5,880,379      | 5,734,202      |
| Engineering                          | -                                 | 55,000                 | 67,000                      | -                               | 31,500                | -                        | -           |  | 153,500        | 226,912          | 140,500        | 207,986        |
| Extraordinary Expenditures           | -                                 | -                      | -                           | -                               | 30,000                | -                        | -           |  | 30,000         | -                | 30,000         | 15,176         |
| Exceptional Strength Analysis        | -                                 | -                      | 43,000                      | -                               | 0                     | -                        | -           |  | 43,000         | -                | 43,000         | -              |
| Fleet Management Services            | -                                 | 28,000                 | 16,000                      | -                               | 150,000               | -                        | -           |  | 194,000        | 257,922          | 199,500        | 221,096        |
| General Analyses                     | -                                 | 72,636                 | 52,800                      | -                               | 18,000                | 29,285                   | -           |  | 172,721        | 106,446          | 173,656        | 91,668         |
| Industrial Meter Testing             | -                                 | 8,500                  | -                           | -                               | 6,000                 | -                        | -           |  | 14,500         | -                | 13,500         | 250            |
| Maintenance Services                 | -                                 | 414,853                | 389,700                     | -                               | 770,264               | 14,007                   | -           |  | 1,588,824      | 1,016,533        | 1,836,421      | 1,409,001      |
| Miscellaneous Services               | -                                 | 25,025                 | 100,225                     | -                               | 249,413               | 3,000                    | -           |  | 377,663        | 319,647          | 376,193        | 315,995        |
| Rental                               | -                                 | -                      | -                           | -                               | -                     | -                        | -           |  | -              | -                | 73,748         | 77,286         |
| Residuals                            | -                                 | -                      | 103,000                     | -                               | 374,580               | -                        | -           |  | 477,580        | 335,697          | 475,580        | 332,794        |
| Water Purchases                      | -                                 | 2,824,400              | -                           | -                               | -                     | -                        | -           |  | 2,824,400      | 1,990,415        | 2,150,900      | 1,977,802      |
| System Planning / Capital Management | -                                 | -                      | -                           | -                               | -                     | -                        | -           |  | -              | -                | -              | -              |
| LCA WWTP Treatment/Removals          | -                                 | -                      | -                           | -                               | -                     | -                        | -           |  | -              | -                | -              | -              |
| Treatment and Transportation         | -                                 | -                      | 3,977,539                   | -                               | 12,000                | -                        | -           |  | 3,989,539      | 3,420,387        | 3,339,679      | 3,395,115      |
| Total Purchase of Services           | (825,465)                         | 5,794,854              | 11,287,223                  | (853,503)                       | 7,961,108             | 338,303                  | (2,463,573) |  | 21,238,948     | 18,056,384       | 19,846,411     | 18,548,227     |
| Materials & Supplies                 |                                   |                        |                             |                                 |                       |                          |             |  |                |                  |                |                |
| Purification Chemicals               | -                                 | 58,400                 | 86,900                      | -                               | 803,435               | -                        | -           |  | 948,735        | 632,961          | 891,604        | 628,533        |
| Purification Supplies                | -                                 | 56,047                 | -                           | -                               | 14,000                | -                        | -           |  | 70,047         | 48,510           | 74,000         | 47,817         |
| Pump Supplies                        | -                                 | 46,000                 | 46,500                      | -                               | 53,750                | -                        | -           |  | 146,250        | 89,180           | 135,750        | 82,957         |
| Misc. Materials & Supplies           | -                                 | 46,430                 | 130,278                     | -                               | 465,280               | 22,087                   | -           |  | 664,075        | 488,420          | 696,688        | 483,713        |
| Fuel & Mileage                       | -                                 | 61,150                 | 70,150                      | -                               | 111,500               | -                        | -           |  | 242,800        | 163,968          | 205,550        | 162,267        |
| Fleet Management Supplies            | -                                 | 3,800                  | -                           | -                               | 14,000                | -                        | -           |  | 17,800         | 40,970           | 33,100         | 19,203         |
| Equipment                            | -                                 | 117,815                | 166,735                     | -                               | 175,940               | 19,650                   | -           |  | 480,140        | 272,179          | 478,240        | 269,242        |
| Leased Equipment                     | -                                 | 46,000                 | 148,645                     | -                               | 155,625               | -                        | -           |  | 350,270        | 216,932          | 279,500        | 144,765        |
| Distribution & Transmission Supplies | -                                 | 111,940                | -                           | -                               | 97,000                | -                        | -           |  | 208,940        | 227,014          | 215,660        | 225,317        |
| Collection System Supplies           | -                                 | -                      | -                           | -                               | -                     | -                        | -           |  | -              | -                | -              | -              |
| Total Materials & Supplies           | -                                 | 547,582                | 649,208                     | -                               | 1,890,530             | 41,737                   | -           |  | 3,129,057      | 2,180,134        | 3,010,092      | 2,063,814      |
| Depreciation and Amortization        | -                                 | 2,605,699              | 4,616,783                   | -                               | 5,893,862             | -                        | -           |  | 13,116,343     | 13,191,752       | 13,233,000     | 13,008,758     |
| Other Expenses                       |                                   |                        |                             |                                 |                       |                          |             |  |                |                  |                |                |
| Major Maintenance Expenses           | -                                 | 3,400                  | 1,000,000                   | -                               | 2,123,972             | -                        | -           |  | 3,127,372      | 2,291,324        | 3,786,316      | 1,250,412      |
| Other Miscellaneous                  | -                                 | 74,864                 | 46,422                      | -                               | 542,924               | -                        | -           |  | 664,210        | 1,016,559        | 32,288         | 166,384        |
| Total Other Expenses                 | -                                 | 78,264                 | 1,046,422                   | -                               | 2,666,896             | -                        | -           |  | 3,791,582      | 3,307,883        | 3,818,604      | 1,416,796      |
| Total Operating Expenses             | 0                                 | 11,246,874             | 18,865,181                  | (0)                             | 26,848,419            | 927,507                  | -           |  | 57,887,982     | 52,395,881       | 55,369,600     | 50,168,287     |

## Capital Spending

# **Lehigh County Authority** **2021 Budget and Comparative Prior Period Data** **Capital Budgets Overview**

## **Suburban Water Division:**

The Suburban Water Division Capital Budget includes projects that provide or lead to long-term improvements and reliability to the system. The following table provides information regarding significant water projects:

| <b>Project</b>   | <b>2021 Budget</b> | <b>2021 Project Stage</b>          |
|--|--------------------|------------------------------------|
| Fixed Base Advanced Metering Infrastructure  | \$100,000          | Design & Permitting                |
| Central Lehigh to Upper Milford System Interconnection Pump Station (Kohler Tract) | 200,000            | Complete Construction              |
| Upper Milford Central System Improvements - Buss Acres                             | 850,000            | Finish Construction                |
| Addition Redundant Supply – Madison Park North Water System                        | 100,000            | Design & Permitting                |
| Arcadia West Water Tank Replacement  | 500,000            | Finish Design / Start Construction |

Annual Projects These projects are part of recurring annual capital work that includes the following: 1) new water main installations; 2) distribution main development and service connections; 3) distribution mains upsizing; 4) reservoir rehabilitation and maintenance; 5) general water system improvements; 6) water company acquisitions; 7) main office improvements; 8) mobile equipment; 9) water facilities asset management improvements; 10) other equipment; 11) capital management; and 12) capital works miscellaneous expenses. Includes staff and consultant work. (2021 Cap Ex \$1,960,000)

## **Water Main Replacement Projects**

This is an on-going project to replace aging spun cast iron water mains in acquired water systems that have high break rates or exhibit a high risk of failure. The 2021 budget assumes a pause in the program and re-start in 2022. (2021 Cap Ex \$0)

## **Upper Milford Central System Improvements – Buss Acres**

This multi-year project includes: (1) The abandonment of the two existing aged, problematic hydro-pneumatic operated well stations in need of electrical, structural and other repairs; (2) abandonments of the two pressurized 6,000 gallon water storage tanks at both facilities that have exceeded their useful life and are not in compliance with regulatory requirements for pressure vessels; and (3) the construction on the largest existing well station parcel of one new well/pump station (PS) and a water storage tank. The new PS will be a variable frequency drive-controlled double pumping system with full SCADA telemetry/control. In addition, given that the water supply has a high level of radon (currently there is no regulatory limit), provisions will be incorporated into the design to readily enable connection with radon mitigation equipment in the future pending establishment of a regulatory limit. Construction began in February 2020, with completion anticipated in Spring 2021. (2021 Cap Ex \$850,000)

## **Additional (Redundant) Water Supply - Small Satellite Systems (Madison Park North)**

This project focuses on the development of an additional well for the Madison Park North (MPN) development to have a backup source of water supply. In 2020 a Pre-Drilling and Aquifer Test Plan was approved by DEP and wells were drilled and tested on two locations of a neighboring property to the development. Design and permitting will be completed in 2021. (2021 Cap Ex \$100,000)

## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Capital Budgets Overview**

### CLD Well Improvements

Three large producing wells in the CLD system are not being used because of water quality issues. Well 3 has a capacity of 1000 GPM but has high levels of Manganese. Well 2 has a capacity of 200 GPM but must maintain a high chlorine residual to meet contact time. Well 12 has a capacity of 700 GPM but has high turbidity levels. An engineering study was performed in 2020 to determine the options and costs to bring the wells back in to service. The study will help to determine the value of having the wells as sources should DEP implement "use it or lose it" regulations on groundwater sources. The wells could be used as additional sources to supplement flow, pressure, and chlorine residuals should water demand increase in the western Lehigh service area. Additional options to treatment of Wells 3 and 12 are being evaluated to possibly restore partial capacity at a reduced cost. (2020 Cap Ex \$60,000)

### CLD Distribution System Improvements

Engineering study to determine how to best provide service to existing and future customers and potential large users in the CLD system. Additional growth may require increasing well usage to provide chlorine residuals throughout the system and upsizing of water mains. Changes to the system may be required to accommodate the addition of a large water user or general development in the area. (2021 Cap Ex \$50,000)

### Central Lehigh to Upper Milford System Interconnection (Kohler Tract)

This multi-year project consists of the design and construction of approximately 4,550 linear feet of 12-inch diameter main extending from the CLD to the proposed water mains in the Kohler Tract Subdivision in Upper Milford Township, and a new water booster pumping station located in Upper Milford Township near Indian Creek Road. Additionally, the pump station will be designed to supply both domestic demand and fire protection with the domestic capacity to serve 330 EDUs (residential properties) broken down as follows: 71 EDUs will be utilized for the existing customer properties in Upper Milford Township; 123 EDUs are dedicated for the Kohler Tract Development; and 136 EDUs are for future customers. Easements will be required for the pump station site and overland segments of the water main extension. The existing Upper Milford supply facilities will be abandoned. Design work was substantially completed in 2017, permitting and easement procurement were finalized in 2019, construction began in 2020, and the project is anticipated to be completed by early 2021,. (2021 Cap Ex \$200,000)

### Arcadia West Water Storage Tank Replacement

The Arcadia West water storage tank has had several leaks in recent years and the coating has reached the end of its useful life. This project is for the replacement of the tank with a new concrete reservoir. Design phase authorization was awarded to Entech Engineering at the April 27, 2020 Board meeting. This project will be funded by the LCA Suburban Division. Design is underway and expected to be completed and ready for bid at the end of 2020. The DEP Public Water Supply Permit Application will be submitted in October. Design will be completed, the project will be bid and construction will begin in 2021. (2021Cap Ex \$500,000)

### Fixed Base Advanced Metering Infrastructure

Development of a fixed base meter reading system for the Suburban Water Division. The new system will allow for more efficient meter reading, consistent billing and faster dispute resolution. Communication studies were performed by Sensus in 2019 and 2020 to evaluate the number and location of antenna towers for Suburban area coverage. Five to seven towers are anticipated in order to provide adequate coverage of the Suburban system. An Engineer will be retained in 2021 to prepare land development plans for the antenna sites. Construction of the towers will begin in 2021 and extend into future years. (2021 Capex Ex. \$100,000)

# **Lehigh County Authority** **2021 Budget and Comparative Prior Period Data** **Capital Budgets Overview**

## **Suburban Wastewater Division:**

The major activities included in the Suburban Wastewater Division Capital Budget are continuation of the on-going work associated with WLI Signatory I/I Investigation & Remediation program and the implementation of improvements required to address system bottlenecks and sanitary sewer overflows. Other projects include starting design on the Trexlertown Area Storage Facility, and finishing construction of the Sand Spring wastewater treatment plant. The following table provides information regarding significant wastewater projects:

| <b>Project</b>   | <b>2021 Budget</b> | <b>2021 Project Stage</b> |
|--|--------------------|---------------------------|
| Pre-Treatment Plant Improvements                               | \$700,000          | Complete Construction     |
| Central Lehigh County Wastewater Capacity Planning & Expansion | 799,300            | Planning                  |
| Sand Spring WWTP Replacement                                   | 500,000            | Complete Construction     |
| Heidelberg Heights I/I Remediation & Replacement               | 300,000            | Complete Construction     |
| Park Pump Station Improvements                                 | 100,000            | Design & Permitting       |
| Park Pump Station Force Main Rehabilitation                    | 100,000            | Design                    |
| Signatory I/I Investigation & Remediation Program              | 270,000            | Design & Construction     |
| Trexelertown Area Storage Facility                             | 200,000            | Design & Permitting       |

Annual Projects These projects are part of recurring annual capital work that includes the following: 1) mobile equipment; 2) sewer company acquisitions; 3) other equipment; 4) wastewater facility asset management mechanical upgrade work; 5) capital management; 6) sewer main connections; and 7) general sewer system improvements. (2021 Cap Ex. \$622,500)

### Wastewater Pre-Treatment Plant - General Improvements

This is an on-going multi-year program to upgrade/replace equipment and optimize processes in accordance with asset management protocol to address the continued reliability and maintain a high level of service for LCA's industrial pre-treatment plant. (2021 Cap Ex \$700,000)

### Central Lehigh County Wastewater Capacity Planning & Expansion

This project is for the planning of additional treatment capacity for the Western Lehigh Interceptor (WLI) service area and construction of the selected alternative. This project is needed for future wastewater treatment capacity and includes two primary engineering alternatives: expanding the Kline's Island Wastewater Treatment Plant (KIWWTP) permitted capacity from 40 to approximately 44 MGD, or upgrading the LCA Pre-Treatment Plant to full treatment with discharge to the Lehigh River. This 2021 project only includes planning costs for these activities.. (2021 Cap Ex. \$799,300)

### Signatory I/I Investigation & Remediation Program

This multiyear on-going inflow and infiltration (I/I) reduction project was primarily composed of flow monitoring in LCA and Signatory sewage collection systems tributary to the Western Lehigh Interceptor (WLI). Level of Service Modeling, Flow Metering, recalibration of the 2014 KISS model, and many other tasks are required and in progress for determining and prioritizing the physical work necessary to facilitate the removal of excess wet weather flow in segments of systems have been identified with unacceptable levels of I/I. The 2020 budget included flow metering within the Western Lehigh Sewer Partners (approximately 35 meters). As the Regional Act 537 Plan is now underway, the 2021 budget continues to

## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Capital Budgets Overview**

includes manhole rehabilitation and corrective work to eliminate I/I in the WLI. All planning related to the Regional Act 537 is included in the project listed above. (2021 Cap Ex \$270,000)

### WLI – T rexlertown Area Storage Facility

A conveyance capacity “bottleneck” has been identified in the Trexlertown area of the Western Lehigh Interceptor, and this area was assigned a high priority due to occurrence of sanitary sewer overflows and basement backups in the vicinity during wet weather events. A parallel interceptor was originally conceived to run approximately from Cetronia Rd to Spring Creek Rd. The concept was modified to focus on providing storage capacity in the system for this area, due to concerns about downstream hydraulic impacts. This project is an interim solution to address local impacts of the system bottleneck, and will become part of the future long-term solution to alleviate regional conveyance capacity challenges. A pre-design feasibility study is being performed to evaluate various engineering alternatives, including an “in-line” parallel storage tank, conventional concrete tank (flow equalization basin), or other options and will be completed once expanded modeling work, reevaluation of downstream impacts, and storm design parameters have been finalized. (2021 Cap Ex \$200,000)

### Park Pump Station Force Main Rehabilitation

This multi-year project will address the internal rehabilitation needs as determined from an upcoming internal condition assessment of the existing Park Pump Station Force Main. The existing concrete pipe construction is susceptible to deterioration from corrosive sewer gases, therefore, an internal inspection of the force main will be conducted in late 2020 and the results of the inspection will determine the scope of rehabilitation work, which will be designed in 2021, and may consist of internal lining technology and/or dig-up repairs. (2021 Cap Ex \$100,000)

### Wynnewood Terrace Sanitary Sewer System I/I Investigation and Remediation Program

This multi-year project includes flow metering, inspecting manholes, televising sewer mains and laterals, test and seal work and replacement of targeted sections of damaged sewer main. Dig up repairs were completed in 2020, and the 2021 work will involve CCTV inspection work and updated needs assessment. (2021 Cap Ex \$25,000)

### Sand Spring WWTP Remediation & Replacement

This multi-year project will replace the aged 35 year old 35,000 GPD steel tank wastewater treatment plant, which was developer-built and is at the end of its useful service life, as determined by an engineering condition assessment/feasibility study. Mechanical equipment and structures display a high risk of failure, and the facility requires complete replacement. The new facility will feature a concrete tank sequencing batch reactor process, with UV disinfection and a tertiary filter to meet new NPDES permit discharge criteria and provide a high level of service. Construction phase commenced in late 2019 and is anticipated to finish in early 2021. (2021 Cap Ex \$500,000)

### Heidelberg Heights I/I Investigation and Remediation Program

This multi-year project involves investigation and remediation of damaged and deteriorating sewer lines in the developer-built sanitary sewer system, which allow for wet weather inflow and infiltration, and creates hydraulic overload conditions at the system’s wastewater treatment plant. Work includes the replacement of all sections of old VCP sewer main pipe and VCP sewer laterals in accordance with the Corrective Action Plan submitted to DEP in 2019. The 2021 work will involve replacement of approximately 1,000 feet of sewer main and connecting laterals. (2021 Cap Ex \$300,000)

# **Lehigh County Authority**

## **2021 Budget and Comparative Prior Period Data**

### **Capital Budgets Overview**

#### Heidelberg Heights WWTP Rehabilitation

This multi-year project will provide needed upgrades to the existing steel tank wastewater treatment plant. Future projects include installation of a new catwalk grating system over the SBR tanks to improve maintenance access, and installation of a mechanical screen at the headworks of the plant. 2021 work will focus on preliminary design of a mechanical screen for removal of bulky inorganic from the raw sewage. (2021 Cap Ex \$40,000)

#### Lynn Township WWTP Upgrades & Expansion

This multi-year project is being executed in two phases. Phase 1 included influent chamber modifications, new mechanical screen, and valve chamber with flowmeter and chemical feed system that was completed in 2018. Phase 2 is the expansion of the WWTP capacity from 80,000 GPD to around 160,000 GPD (expanded capacity determination pending township completion of updated Act 537 Plan, as required by DEP). Timing for the construction of the WWTP expansion will be dependent upon I/I remediation efforts and growth demands in the sewer service area. Preliminary Design for the Phase 2 work will start in 2021. (2021 Cap Ex \$50,000)

#### Lynn Township I/I Investigation & Remediation Program

This multi-year project is in progress and includes a flow metering study, easement clearing/stabilization, updated system condition assessment via updated system-wide CCTV inspection, updated manhole inspection, data review and prioritization of repair/rehabilitation work, internally-performed isolated repairs, and capital project construction of system-wide rehabilitation project. The program is part of a DEP-mandated Corrective Action Plan, intended to remove hydraulic overloads at the WWTP due to excess wet weather inflow and infiltration. 2020 work consisted of a comprehensive manhole rehabilitation project. 2021 work is anticipated to include private side sewer system inspection. (2021 Cap Ex \$50,000)

#### Regional Park Pump Station

This multi-year project is the result of continued regional sewer studies performed by Arcadis for the Western Lehigh Interceptor signatories. Based on a 20-year planning window, it was determined that a conveyance capacity of 45 mgd will be required at the Park Pump Station. The recommended alternative for providing this significant additional capacity is the construction of a "Sister Station" in proximity to the Park Pump Station. Construction work is not anticipated within the next 5 years. (2021 Cap Ex \$0)

#### Park Pump Station Rehabilitation & Improvements

Phase 1 of this multi-year project included replacement of the existing pumps, pump speed controllers (replace with variable frequency drives), motor control center (MCC) panel, SCADA system, HVAC system, level control system, discharge surge valve and related mechanical improvements to maintain the level of service, prolong station life and restore station to its design capacity. Also included were roof replacement, electrical service upgrade and miscellaneous structural improvements, the majority of which were outlined in Option 3 of the 2016 Park Pump Station Evaluation Technical Memorandum prepared by Arcadis. Construction work for Phase 1 was completed in 2020. Phase 2 is to consist of the installation of a new generator and associated equipment, and will commence design phase in 2021. (2021 Cap Ex \$100,000)

#### SSES (Weisenberg, UMiT, Lowhill)

## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Capital Budgets Overview**

This project involves a Sanitary Sewer Evaluation Study for the LCA Owned Interceptor Systems in Weisenberg, UMiT, and Lowhill Townships. Survey is anticipated to commence in 2021. (2021 Cap Ex \$75,000)

### **City Division: Water System:**

Water projects in the 2021 Budget focus on regulatory compliance, immediate and future needs at the Water Filtration Plant (WFP) and addressing the Lease operating standards. Annual projects remain in the 2021 budget as well. These include but are not limited to equipment purchases, general water system replacements, general WFP improvements, and indenture report upgrades.

The projects identified in the water Budget fall into to two primary categories: those funded by LCA Allentown Division (LCA-AD) and those funded by the City, with the latter pertaining to Uncompleted Work (UW).

Uncompleted Work Projects (UW): Are projects that were the City's responsibility to fund and complete prior to the closing of the Concession Lease. The City has requested that LCA execute these projects. Funding will be provided by the City. The following table provides information regarding significant water projects:

| <b>Project</b>                           | <b>2021 Budget</b> | <b>2021 Project Stage</b> |
|--|--------------------|---------------------------|
| Annual Water Main Replacement – Cycle 5  | \$1,900,000        | Complete Construction     |
| WFP High Service VFD Replacement Project | 800,000            | Start Construction        |
| Itron/AMR Meter Project                  | 85,000             | Complete                  |

### **Annual Projects**

This annual project includes general water system replacements, mobile equipment, new & replacement meter installations, other equipment, Water Filtration Plant general improvements. Also included is a portion of the Administration Capital Expenses that directly benefit the Allentown Division. (2021 Cap Ex \$1,590,000)

### **Annual Water Main Replacement – Cycle 5**

The annual replacement of one mile of water main is a lease requirement, with the objective of replacing aging spun cast and pit cast iron pipe in the system. Annual project scope is prioritized based on break and leak history. (2021 Cap Ex \$1,900,000)

### **WFP High Service VFD Replacement Project**

This multi-year project is to replace variable frequency drives (VFDs) for the high service pumps in the water treatment plant. The high service pumps supply finished water to the City distribution system and are critical infrastructure. The high service pump station has a history of electrical failures from aging VFDs and the upgrade work with extend the reliability and service life of the station. (2021 Cap Ex \$800,000)

### **Itron/AMR Meter Project**



## **Lehigh County Authority 2021 Budget and Comparative Prior Period Data Capital Budgets Overview**

This multi-year project completes the remaining work of the City's AMR project (the installation of 747 meters were not completed because the sites were either vacant or not accessible). This project also includes the purchase and implementation of Water Analytics software package to a repository to store data gathered from the meters in the division for use in identifying customer metering issues. (2021 Cap Ex \$85,000) **Uncompleted Work, City Funded.**

### **City Division: Wastewater System:**

Wastewater projects in 2021 will focus on regulatory compliance, immediate and future needs at the Wastewater Treatment Plant (WWTP) and addressing the Lease operating standards. Project at the WWTP includes the conversion of the existing chlorine disinfection system to sodium hypochlorite. Funding is also provided for the replacement and/or rehabilitation of defective sewer mains.

| <b>Project</b>   | <b>2021 Budget</b> | <b>2021 Project Stage</b> |
|--|--------------------|---------------------------|
| Boiler Replacement & Solids Process HVAC Upgrade Project | \$200,000          | Design & Permitting       |
| Regional Flow Management Strategy                        | 775,000            | Planning                  |
| Flow Characterization Study                              | 1,250,000          | Planning                  |

### **Annual Projects**

These annual projects include mobile equipment, other equipment, sanitary sewer main replacements and rehabilitation, inderture report upgrades, and Wastewater Treatment Plant general improvements. Included within general improvements is the multi-year Sodium Hypochlorite Conversion Project (non-CCRC project). Also included is a portion of the Administration Capital Expenses that directly benefit the Allentown Division. (2020 Cap Ex \$1,960,000)

### **Boiler Replacement and Solids Process HVAC Upgrade Project**

In 2021 the detailed design phase of the Boiler Replacement and Solids Process HVAC Upgrade Project will be completed. This multi-year project consists of replacement of the 3 boilers used to heat the digesters, the digester building, and sludge dewatering areas. The project scope also includes replacement of related HVAC equipment in the digester building and sludge dewatering areas. A preliminary engineering study with basis of design is being completed in 2020 to facilitate Major Capital Improvement project approval from the City in late 2020. (2021 Cap Ex \$200,000)

### **Regional Flow Management Strategy**

This multi-year project involves a five-year "Inflow and Infiltration Source Reduction" effort to comply with a regional flow management strategy submitted to EPA in August of 2018. 2021 includes "Year 2" construction efforts. (2021 Cap Ex \$775,000)

### **Flow Characterization Study**

This project was a requirement of the prior Administrative Order (AO) and is now a requirement of the recently submitted Interim Act 537 Plan. Approximately 105 meters (80 or so of which will be temporary) will be utilized to characterize the dry day, wet day, and peak flows throughout the entire KISS collection system. Also included in this project is a thorough QA/QC of the meter data. Upon collection of the data, the development of an updated regional sanitary sewer model will begin. (2021 Cap Ex \$1,250,000).

**2021 BUDGET  
SUBURBAN DIVISION  
WATER FUND  
CAPITAL EXPENDITURES**

| Project   | Primary<br>Project<br>Category | Estimated<br>Project<br>Cost | Estimated<br>Costs<br>Through 2020 | 2021<br>Budget      | Estimated<br>Costs<br>2022 - 2026 |
|---|--------------------------------|------------------------------|------------------------------------|---------------------|-----------------------------------|
| <b><u>LCA Funded Projects</u></b>                                       |                                |                              |                                    |                     |                                   |
| Annual Projects   | AM - Varies                    | \$ 10,541,521                | 1,126,021                          | \$ 1,747,500        | 7,668,000                         |
| Water Main Replacement Projects   | AM - Varies                    | \$ 9,600,000                 | -                                  | -                   | 9,600,000                         |
| <b><u>New Borrowing Funded Projects</u></b>                             |                                |                              |                                    |                     |                                   |
| Upper Milford Central Div. Improvements - Buss Ac                       | AM-High                        | \$ 2,190,000                 | 1,340,000                          | 850,000             | -                                 |
| Additional (Redundant) Water Supply - Small Satellite Divisions         | Sys Imp                        | \$ 715,000                   | 265,000                            | 100,000             | 350,000                           |
| CLD Auxiliary Pump Station & Main Extension                             | Sys Imp                        | \$ 1,700,000                 | 1,700,000                          | -                   | -                                 |
| Fixed Base Metering Reading System                                      | Sys Imp                        | \$ 740,000                   | 40,000                             | 100,000             | 600,000                           |
| North Whitehall Division System Improvements - Study Phase              | Sys Imp                        | \$ 100,000                   | -                                  | 50,000              | 50,000                            |
| Arcadia Water Tank Replacement  | AM-High                        | \$ 1,107,000                 | 107,000                            | 500,000             | 500,000                           |
| Water Meter Reading Equipment Upgrade                                   | AM-Med                         | \$ -                         | 870,000                            | 100,000             | -                                 |
| Central Lehigh to Upper Milford Division Interconnection - Kohler Tract | New Cust                       | \$ -                         | -                                  | 200,000             | -                                 |
| CLD Well Improvements - Study Phase                                     | Sys Imp                        | \$ 40,000                    | 30,000                             | 60,000              | 40,000                            |
| CLD Distribution System Improvements                                    | Sys Imp                        | \$ 1,530,000                 | 480,000                            | 50,000              | 1,000,000                         |
|   |                                | \$ -                         |                                    |                     |                                   |
|   |                                | \$ -                         |                                    |                     |                                   |
| Admin Allocation  |                                |                              |                                    | 432,500             |                                   |
| <b>Total Suburban Division Water Capital Expenditures (Funded):</b>     |                                |                              | <b>\$ 5,958,021</b>                | <b>\$ 4,190,000</b> | <b>\$ 19,808,000</b>              |

**2021 BUDGET  
SUBURBAN DIVISION  
WASTEWATER FUND  
CAPITAL EXPENDITURES**

| Project  | Primary<br>Project<br>Category | Estimated<br>Project<br>Cost | Estimated<br>Costs<br>Through 2020 | 2021<br>Budget      | Estimated<br>Costs<br>2022 - 2026 |
|--|--------------------------------|------------------------------|------------------------------------|---------------------|-----------------------------------|
| <b>OPERATING/CAPITAL RESERVE FUNDS</b>                                   |                                |                              |                                    |                     |                                   |
| <u><b>General:</b></u>   |                                |                              |                                    |                     |                                   |
| Annual Projects  | AM - Varies                    | \$ 3,106,145                 | \$ 483,145                         | \$ 622,500          | \$ 2,000,500                      |
| <b>Subtotal</b>  |                                |                              | <b>483,145</b>                     | <b>622,500</b>      | <b>2,000,500</b>                  |
| <u><b>LCA Wastewater Treatment Plant</b></u>                             |                                |                              |                                    |                     |                                   |
| Pretreatment Plant Improvements  | AM - Varies                    | 4,200,000                    | -                                  | 700,000             | 3,500,000                         |
| <b>Subtotal</b>  |                                |                              | <b>-</b>                           | <b>700,000</b>      | <b>3,500,000</b>                  |
| <u><b>Western Lehigh Interceptor System:</b></u>                         |                                |                              |                                    |                     |                                   |
| Central Lehigh County WW Capacity Planning & Expansion                   | New Cust                       | 3,219,300                    | 620,000                            | 799,300             | 1,800,000                         |
| Spring Creek Force Main A/V Valve Replacements                           | Sys Imp                        | 95,000                       | 25,000                             | 40,000              | 30,000                            |
| Spring Creek Force Main Condition Assessment                             | AM-Med                         |                              |                                    | -                   | 300,000                           |
| <b>Subtotal</b>  |                                |                              | <b>645,000</b>                     | <b>839,300</b>      | <b>2,130,000</b>                  |
| <u><b>Satellite Systems</b></u>  |                                |                              |                                    |                     |                                   |
| Wynnewood I/I Investigation and Remediation Program                      | Regulatory                     | 200,000                      | 25,000                             | 25,000              | 150,000                           |
| Wynnewood Terrace WWTP Remediation & Replacement                         | AM - High                      | 3,300,000                    | 3,300,000                          | -                   | -                                 |
| Arcadia West WWTP Mechanical Screen                                      | Efficiency                     | 325,000                      | -                                  | -                   | 325,000                           |
| SSES (Weisenberg, UMiT, Lowhill)   | Regulatory                     | 375,000                      | 75,000                             | 75,000              | 225,000                           |
| Sand Spring WWTP Remediation & Replacement                               | AM - High                      | 4,100,000                    | 3,600,000                          | 500,000             | -                                 |
| Heidelberg Heights I/I Investigation and Remediation Program             | Regulatory                     | 1,300,000                    | 300,000                            | 300,000             | 700,000                           |
| Heidelberg Heights WWTP Rehabilitation                                   | AM - Med                       | 360,000                      | 20,000                             | 40,000              | 300,000                           |
| Lynn Township WWTP Improvements & Expansion                              | Sys Imp                        | 300,000                      | -                                  | 50,000              | 250,000                           |
| Lynn Township I/I Investigation and Remediation Program                  | Regulatory                     | 300,000                      | 50,000                             | 50,000              | 200,000                           |
| <b>Subtotal</b>  |                                |                              | <b>7,370,000</b>                   | <b>1,040,000</b>    | <b>2,150,000</b>                  |
| <u><b>Little Lehigh Relief Interceptor System:</b></u>                   |                                |                              |                                    |                     |                                   |
| Park Pump Station Force Main Rehabilitation                              | AM - High                      | 1,300,000                    |                                    | 100,000             | 1,200,000                         |
| Park Pump Station Rehabilitation/Improvements                            | AM - High                      | 1,080,000                    | 20,000                             | 100,000             | 960,000                           |
| Regional Park Pump Station   | Sys Imp                        | 170,000                      | 20,000                             | 50,000              | 100,000                           |
| <b>Subtotal</b>  |                                |                              | <b>40,000</b>                      | <b>250,000</b>      | <b>2,260,000</b>                  |
| <b>SUBTOTAL OPERATING/CAPITAL RESERVE FUNDS</b>                          |                                |                              |                                    |                     |                                   |
| <b>NEW BORROWING FUNDS</b>   |                                |                              |                                    |                     |                                   |
| <u><b>Western Lehigh Interceptor System:</b></u>                         |                                |                              |                                    |                     |                                   |
| Signatory I/I Investigation & Remediation Program                        | Regulatory                     | 1,570,000                    | 300,000                            | 270,000             | 1,000,000                         |
| WLI-Trexlerstown Area Storage Facility                                   | Regulatory                     | 12,300,000                   | 100,000                            | 200,000             | 12,000,000                        |
| <b>Subtotal</b>  |                                |                              | <b>400,000</b>                     | <b>470,000</b>      | <b>13,000,000</b>                 |
| <b>Total Suburban Wastewater Division Capital Expenditures (Funded):</b> |                                |                              | <b>\$ 8,938,145</b>                | <b>\$ 3,921,800</b> | <b>\$ 25,040,500</b>              |

**2021 BUDGET  
CITY DIVISION  
WATER FUND  
CAPITAL EXPENDITURES**

| Project  | Primary<br>Project<br>Category | Estimated<br>Project<br>Cost | Estimated<br>Costs<br>Through 2020 | 2021<br>Budget      | Estimated<br>Costs<br>2022 - 2026 |
|--|--------------------------------|------------------------------|------------------------------------|---------------------|-----------------------------------|
| <b><u>LCA Funded Projects</u></b>                                    |                                |                              |                                    |                     |                                   |
| Annual Projects  | AM - Varies                    | 10,822,500                   | -                                  | 1,590,000           | 9,232,500                         |
| Various Water System Related Studies                                 | CA/OS                          | 150,000                      | -                                  | -                   | 150,000                           |
| <b>Sub-total Allentown Division Water Capital Funded by LCA</b>      |                                | <b>10,972,500</b>            | <b>-</b>                           | <b>1,590,000</b>    | <b>9,382,500</b>                  |
| <b><u>CCRC Projects</u></b>  |                                |                              |                                    |                     |                                   |
| Annual Water Main Replacements                                       | AM - High                      | 11,400,000                   | -                                  | 1,900,000           | 9,500,000                         |
| High Service Pump VFD Replacement Project                            | AM - High                      | 2,000,000                    |                                    | 800,000             | 1,200,000                         |
| <b>Sub-total Allentown Division Water CCRC</b>                       |                                | <b>13,400,000</b>            | <b>-</b>                           | <b>2,700,000</b>    | <b>10,700,000</b>                 |
| <b><u>City Funded Projects</u></b>                                   |                                |                              |                                    |                     |                                   |
| Itron/AMR Meter Project <sup>(1)</sup>                               | CA/OS                          | 85,000                       | -                                  | 85,000              | -                                 |
| <b>Sub-total Allentown Division Water Capital Funded by the City</b> |                                |                              | <b>-</b>                           | <b>85,000</b>       | <b>-</b>                          |
| <b>Administration Fund Capital Allocation</b>                        |                                |                              |                                    | <b>317,500</b>      | <b>1,270,000</b>                  |
| <b>Total Allentown Division Water Capital Expenditures (Funded):</b> |                                |                              | <b>\$ -</b>                        | <b>\$ 4,692,500</b> | <b>\$ 10,652,500</b>              |

(1) "Uncompleted Work" City Projects that were supposed to be complete by the time of settlement or executed by City personnel after settlement.  
The City will fund these projects but has requested that LCA execute them.

**2021 BUDGET  
CITY DIVISION  
WASTEWATER SYSTEM  
CAPITAL EXPENDITURES**

| <b>Project</b>  | <b>Primary<br/>Project<br/>Category</b> | <b>Estimated<br/>Project<br/>Cost</b> | <b>Estimated<br/>Costs<br/>Through 2020</b> | <b>2021<br/>Budget</b> | <b>Estimated<br/>Costs<br/>2022 - 2026</b> |
|---|---|---------------------------------------|---|------------------------|--|
| <b><u>LCA Funded Projects</u></b>   |   |                                       |   |                        |  |
| Annual Projects *   | AM - High                               | 9,460,000                             | -   | 1,960,000              | 7,500,000                                  |
| Various Wastewater System Related Studies                                 | CA/OS                                   | 150,000                               | -   | -                      | 150,000                                    |
|   |   |                                       | -   | -                      | -  |
| <b>Sub-total Allentown Division Wastewater Capital Funded by LCA</b>      |   |                                       | <b>\$ -</b>                                 | <b>\$ 1,960,000</b>    | <b>\$ 7,650,000</b>                        |
| <b><u>CCRC Projects</u></b>   |   |                                       |   |                        |  |
| Boiler Replacement and Solids Process HVAC Upgrade Project                | AM - High                               | 1,400,000                             | -   | 200,000                | 1,200,000                                  |
| <b>Sub-total Allentown Division Wastewater CCRC</b>                       |   | <b>\$ 1,400,000</b>                   | <b>\$ 200,000</b>                           | <b>\$ 1,200,000</b>    |  |
| <b><u>City Funded Projects</u></b>  |   |                                       |   |                        |  |
| Regional Flow Management Strategy <sup>(1)</sup>                          | Regulatory                              | 3,145,000                             | -   | 775,000                | 1,580,000                                  |
| Flow Characterization Study <sup>(1)</sup>                                | Regulatory                              | 1,600,000                             | -   | 1,250,000              | 350,000                                    |
| <b>Sub-total Allentown Division Wastewater Capital Funded by the City</b> |   |                                       | <b>\$ -</b>                                 | <b>\$ 2,025,000</b>    | <b>\$ 1,930,000</b>                        |
| <b>Total Allentown Division Wastewater Capital Expenditures (Funded):</b> |   |                                       | <b>\$ -</b>                                 | <b>\$ 4,185,000</b>    | <b>\$ 9,580,000</b>                        |

\* Includes Sodium Hypo project in 2021

(1) "Administrative Order" Projects as per the Agreement are to be Funded by the City and executed by LCA.

**2021 BUDGET  
ADMINISTRATION  
CAPITAL EXPENDITURES**

| Project  | Primary<br>Project<br>Category | Estimated<br>Project<br>Cost | Estimated<br>Costs<br>Through 2019 | 2021<br>Budget    | Estimated<br>Costs<br>2022 - 2026 |
|--|--------------------------------|------------------------------|------------------------------------|-------------------|-----------------------------------|
| <b><u>LCA Funded Projects</u></b>                          |                                |                              |                                    |                   |                                   |
| SCADA Programming, Hardware Upgrades, Software & Training  | AM - Varies                    | 178,000                      | 28,000                             | 150,000           | -                                 |
| Computer System Hardware & Software Upgrades               | AM - High                      | 142,000                      | 42,000                             | 100,000           | -                                 |
| GIS Upgrades & Application Development                     | Efficiency                     | 81,960                       | 31,960                             | 50,000            | -                                 |
| Information Technology Master Plan Update                  | Planning                       | 145,000                      | 20,000                             | 125,000           | -                                 |
| Document Management  | Efficiency                     | 200,000                      | -                                  | 200,000           | -                                 |
| Disaster Recovery/Security Upgrades                        | Efficiency                     | 25,000                       | -                                  | 25,000            | -                                 |
| CMMS Upgrades  | Efficiency                     | 121,900                      | 21,900                             | 100,000           | -                                 |
| <b>Sub-total Administration Capital Funded by LCA</b>      |                                |                              | <b>\$ 143,860</b>                  | <b>\$ 750,000</b> | <b>\$ -</b>                       |
| <b>Total Administration Capital Expenditures (Funded):</b> |                                |                              | <b>\$ 143,860</b>                  | <b>\$ 750,000</b> | <b>\$ -</b>                       |

LEHIGH COUNTY AUTHORITY  
CAPITAL EXPENDITURES - SUBURBAN - WATER FUND  
2021 Budget and Comparative Prior Period Data

|  | Suburban - Water Systems |                     |                             |                     |               |                      |                              |                   |                   |                   |                   |                      |                   | Total          |                  |                  |                  |                  |
|--|--------------------------|---------------------|-----------------------------|---------------------|---------------|----------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|----------------------|-------------------|----------------|------------------|------------------|------------------|------------------|
|  | Int Serv<br>100          | Undesignated<br>200 | Western Lehigh Service Area |                     |               | S. Lehigh            | Northern Lehigh Service Area |                   |                   |                   |                   | Northampton          | Buss Acres<br>210 | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020   | Actual<br>2019   |                  |
|  |                          |                     | Central Lehigh<br>201       | Arcadia West<br>211 | Emmaus<br>209 | Beverly Hills<br>207 | North Whiteha<br>202         | Washington<br>203 | Mill Creek<br>204 | Heidelberg<br>205 | PL of Lynn<br>206 | Madison North<br>221 |                   |                |                  |                  |                  | CFE<br>208       |
| <b>CAPITAL WATER RESERVE FUNDS</b>                               |                          |                     |                             |                     |               |                      |                              |                   |                   |                   |                   |                      |                   |                |                  |                  |                  |                  |
| <b>Annual Projects</b>   |                          |                     |                             |                     |               |                      |                              |                   |                   |                   |                   |                      |                   |                |                  |                  |                  |                  |
| Capital Management   | -                        | 50,000              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 50,000         | 14,305           | 50,000           | 24,287           |                  |
| Capital Works Misc Expense                                       | -                        | 7,500               | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 7,500          | 974              | 7,500            | 1,622            |                  |
| Distribution Mains - Development                                 | -                        | 200,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 200,000        | 253,115          | 200,000          | 426,326          |                  |
| Distribution Mains - Upsizing                                    | -                        | 180,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 180,000        | 23,728           | 45,000           | 270,859          |                  |
| Distribution System Improvements (3rd Party)                     | -                        | 5,000               | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 5,000          | -                | 5,000            | -                |                  |
| General Water System Replacements                                | -                        | 250,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 250,000        | 17,295           | 250,000          | 276,695          |                  |
| Main Office Improvements   | -                        | 180,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 180,000        | -                | 180,000          | -                |                  |
| Mobile Equipment   | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | -                | 60,000           | 31,075           |                  |
| New & Replacement Meter Installations                            | -                        | 50,000              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 50,000         | 24,704           | 50,000           | 42,605           |                  |
| Other Equipment  | -                        | 200,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 200,000        | 170,461          | 200,000          | 193,964          |                  |
| Reservoir Rehab/Maintenance                                      | -                        | 320,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 320,000        | 12,603           | 320,000          | 154,081          |                  |
| Water Company Acquisitions                                       | -                        | 5,000               | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 5,000          | -                | 5,000            | -                |                  |
| Water Condition Facility Assessments/Upgrades                    | -                        | 300,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 300,000        | 22,638           | 300,000          | 348,825          |                  |
|  | -                        | 1,747,500           | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 1,747,500      | 539,824          | 1,672,500        | 1,770,338        |                  |
| <b>Multi Year Projects</b>                                       |                          |                     |                             |                     |               |                      |                              |                   |                   |                   |                   |                      |                   |                |                  |                  |                  |                  |
| Additional (Redundant) Water Supply - Small Satellite Divisions  | -                        | 100,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 100,000        | 69,859           | 300,000          | 68,856           |                  |
| Arcadia Water Tank Replacement                                   | -                        | -                   | -                           | 500,000             | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 500,000        | 41,614           | 100,000          | -                |                  |
| AWIA ACT - 2020  | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 88               | -                | -                |                  |
| Central Lehigh to Upper Milford Division Interconnection - Kohle | -                        | -                   | 200,000                     | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 200,000        | 1,337,992        | 1,320,000        | -                |                  |
| CLD Auxiliary Pump Station & Main Extension                      | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 88,303           | 200,000          | 1,437,085        |                  |
| CLD Distribution System Improvements                             | -                        | -                   | 50,000                      | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 50,000         | 75,788           | 60,000           | -                |                  |
| CLD Well Improvements - Study Phase                              | -                        | -                   | 60,000                      | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 60,000         | 25,150           | 60,000           | 24,341           |                  |
| Fixed Base Metering Reading System                               | -                        | 100,000             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 100,000        | 8,859            | 50,000           | -                |                  |
| North Whitehall Division System Improvements - Study Phase       | -                        | -                   | -                           | -                   | -             | -                    | 50,000                       | -                 | -                 | -                 | -                 | -                    | -                 | 50,000         | -                | 50,000           | -                |                  |
| Residential Svc Conn & Water Svc Inquiry                         | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 7,145            | -                | 4,524            |                  |
| Upper Milford Central Div. Improvements - Buss Ac                | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | 850,000           | 850,000        | 698,909          | 2,300,000        | 101,897          |                  |
| Upper Sys Evalua / Lower Sys Model                               | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 14,277           | -                | 49,762           |                  |
| Water Main Replacement Projects                                  | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | -                | -                | 2,043,432        |                  |
| Water Meter Reading Equipment Upgrade                            | -                        | -                   | 100,000                     | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 100,000        | 542,764          | 1,500,000        | 2,578,724        |                  |
| Watershed Monitoring   | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 1,007            | -                | 1,623            |                  |
|  | -                        | 200,000             | 410,000                     | 500,000             | -             | -                    | 50,000                       | -                 | -                 | -                 | -                 | -                    | -                 | 850,000        | 2,010,000        | 2,911,755        | 5,940,000        | 6,310,244        |
| <b>Administrative Projects</b>                                   |                          |                     |                             |                     |               |                      |                              |                   |                   |                   |                   |                      |                   |                |                  |                  |                  |                  |
| Accounting Area Renovation                                       | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 1,266            | -                | 26,379           |                  |
| CMMS Upgrades  | -                        | 57,667              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 57,667         | 4,265            | 53,000           | 97,426           |                  |
| Computer System Hardware & Software Upgrades                     | -                        | 57,667              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 57,667         | 4,632            | 53,000           | 68,892           |                  |
| COVID 19   | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 716,060          | -                | -                |                  |
| Disaster Recovery/Security Upgrades                              | -                        | 14,417              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 14,417         | 9,048            | 13,250           | 88,629           |                  |
| Document Management  | -                        | 115,333             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 115,333        | 13,086           | 106,000          | 5,863            |                  |
| GIS Upgrades & Application Development                           | -                        | 28,833              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 28,833         | 22,652           | 26,500           | 94,323           |                  |
| Information Technology Master Plan Update                        | -                        | 72,083              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 72,083         | 54,037           | 66,250           | 33,610           |                  |
| Operations Center Improvements                                   | -                        | -                   | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | -              | 9,116            | -                | 154,775          |                  |
| SCADA Programming, Hardware Upgrades, Software & Training        | -                        | 86,500              | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 86,500         | 35,535           | 79,500           | 114,478          |                  |
|  | -                        | 432,500             | -                           | -                   | -             | -                    | -                            | -                 | -                 | -                 | -                 | -                    | -                 | 432,500        | 869,697          | 397,500          | 684,373          |                  |
|  | -                        |                     |                             |                     |               |                      |                              |                   |                   |                   |                   |                      | -                 |                |                  |                  |                  |                  |
| <b>Total Capital Water Reserve Fund</b>                          | -                        | <b>2,380,000</b>    | <b>410,000</b>              | <b>500,000</b>      | -             | -                    | <b>50,000</b>                | -                 | -                 | -                 | -                 | -                    | -                 | <b>850,000</b> | <b>4,190,000</b> | <b>4,321,275</b> | <b>8,010,000</b> | <b>8,764,955</b> |

LEHIGH COUNTY AUTHORITY  
CAPITAL EXPENDITURES - SUBURBAN - WASTEWATER FUND  
2021 Budget and Comparative Prior Period Data

|  | Suburban - Wastewater Systems |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     | Total          |                  |                |                |
|--|-------------------------------|------------|---------------|---------------|-------------------|----------------------|------------------|-------------------|--------------------|---------------------|-------------|-------------------|------------------|-------------|---------------------|----------------|------------------|----------------|----------------|
|  | Interceptor Group             |            |               |               | CRCS              |                      |                  |                   |                    |                     |             |                   |                  |             | W.Weisenberg        | Budget<br>2021 | Forecast<br>2020 | Budget<br>2020 | Actual<br>2019 |
|  | Int Serv<br>100               | WLI<br>312 | LLRI 1<br>313 | LLRI 2<br>314 | Heidelberg<br>305 | Upper Milford<br>315 | Wynnewood<br>316 | Weisenberg<br>317 | Sand Spring<br>319 | Lowhill Twp.<br>323 | NLSA<br>318 | Washington<br>303 | Lynn Twp.<br>322 | WWTP<br>320 | Arcadia West<br>311 |                |                  |                |                |
| CAPITAL WASTEWATER RESERVE FUNDS                             |                               |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| Annual Projects  |                               |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| General Sewer System Improvements*                           | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | 200,000     | -                   | 200,000        | -                | 192,434        |                |
| LLRI Coll Sys Development & Svc Connections                  | -                             | -          | 5,000         | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 5,000          | -                | -              |                |
| Mobile Equipment   | -                             | 180,000    | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 180,000        | 45,000           | -              |                |
| Other Equipment  | -                             | 200,000    | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 200,000        | 25,590           | 232,735        |                |
| Lynn Township Coll Sys Development & Svc Connections         | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 3,000            | -              |                |
| Sewer Company Acquisitions                                   | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 5,000          | -                | -              |                |
| Upper Milford Coll Sys Development & Svc Connections         | -                             | -          | -             | -             | -                 | 10,000               | -                | -                 | -                  | -                   | 5,000       | -                 | -                | -           | -                   | 10,000         | 6,924            | 10,000         |                |
| WLI Capital Management                                       | -                             | 7,500      | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 7,500          | 8,528            | 7,500          |                |
| WLI Coll Sys Development & Svc Connections                   | -                             | 5,000      | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 5,000          | -                | 11,049         |                |
| WLI High Flow Emergency Response                             | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 1,932            | -              |                |
| WW Facility Condition Assessments/Upgrades                   | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | 10,000      | -                   | 10,000         | -                | 1,927,364      |                |
|  | -                             | 392,500    | 5,000         | -             | -                 | 10,000               | -                | -                 | -                  | -                   | 5,000       | -                 | -                | 210,000     | -                   | 622,500        | 87,974           | 320,500        |                |
| Multi Year Projects  |                               |            |               |               |                   |                      |                  |                   |                    |                     |             |                   |                  |             |                     |                |                  |                |                |
| 537 CRB Tool   | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 26,527           | -              |                |
| Arcadia West WWTP Mechanical Screen                          | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              |                |
| Central Lehigh County WW Capacity Planning & Expansion       | -                             | 799,300    | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 799,300        | 127,546          | 51,606         |                |
| Chestnut St Bridge Replacement                               | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 8,846            | 3,120          |                |
| Heidelberg Heights I/I Investigation and Remediation Program | -                             | -          | -             | -             | 300,000           | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 300,000        | 25,077           | 385,822        |                |
| Heidelberg Heights WWTP Rehabilitation                       | -                             | -          | -             | -             | 40,000            | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 40,000         | -                | -              |                |
| Hydraulic Model WLSP   | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 34,055           | -              |                |
| Lynn Township I/I Investigation and Remediation Program      | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | 50,000           | -           | -                   | 50,000         | 52,944           | 149,718        |                |
| Lynn Township WWTP Improvements & Expansion                  | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | 50,000           | -           | -                   | 50,000         | 89               | 416            |                |
| Park Pump Station Cond. Assessm                              | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 885              | -              |                |
| Park Pump Station Force Main Rehabilitation                  | -                             | -          | 100,000       | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 100,000        | -                | -              |                |
| Park Pump Station Rehabilitation/Improvements                | -                             | -          | 100,000       | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 100,000        | 450,777          | 3,602,549      |                |
| Plan Review & Inspection, Development & Svc Connections      | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 2,196            | 22,619         |                |
| Pretreatment Plant Improvements                              | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | 700,000     | -                   | 700,000        | 779,784          | 711,970        |                |
| Regional Park Pump Station                                   | -                             | -          | 50,000        | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 50,000         | -                | -              |                |
| Sand Spring WWTP Remediation & Replacement                   | -                             | -          | -             | -             | -                 | -                    | -                | -                 | 500,000            | -                   | -           | -                 | -                | -           | -                   | 500,000        | 1,368,403        | 161,090        |                |
| Signatory I/I Investigation & Remediation Program            | -                             | 270,000    | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 270,000        | 642,061          | 671,386        |                |
| Spring Creek Force Main A/V Valve Replacements               | -                             | 40,000     | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 40,000         | 9,321            | 25,494         |                |
| Spring Creek Force Main Condition Assessment                 | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | -                | -              |                |
| Spring Creek PS Upgrade                                      | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 1,475            | 97,796         |                |
| SSES (Weisenberg, UMIT, Lowhill)                             | -                             | -          | -             | -             | -                 | 25,000               | -                | 25,000            | -                  | 25,000              | -           | -                 | -                | -           | -                   | 75,000         | -                | -              |                |
| Strawberry Acres Sewer                                       | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 60               | 902            |                |
| WLI-Trexlerstown Area Storage Facility                       | -                             | 200,000    | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 200,000        | 14,209           | 55,844         |                |
| WTP Upgrade Study  | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 153              | -              |                |
| Wynnewood I/I Investigation and Remediation Program          | -                             | -          | -             | -             | -                 | -                    | 25,000           | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | 25,000         | 9,423            | 5,001          |                |
| Wynnewood Terrace WWTP Remediation & Replacement             | -                             | -          | -             | -             | -                 | -                    | -                | -                 | -                  | -                   | -           | -                 | -                | -           | -                   | -              | 828,931          | 2,362,622      |                |
|  | -                             | 1,309,300  | 250,000       | -             | 340,000           | 25,000               | 25,000           | 25,000            | 500,000            | 25,000              | -           | -                 | -                | 100,000     | 700,000             | 3,299,300      | 4,382,760        | 8,307,955      |                |
| Total Capital WasteWater Reserve Fund                        | -                             | 1,701,800  | 255,000       | -             | 340,000           | 35,000               | 25,000           | 25,000            | 500,000            | 25,000              | 5,000       | -                 | -                | 100,000     | 910,000             | 3,921,800      | 4,470,734        | 8,670,500      |                |



**LEHIGH COUNTY AUTHORITY**  
**CAPITAL EXPENDITURES - CITY - DIVISION FUND**  
**2021 Budget and Comparative Prior Period Data**

|  | City Division    |          |          |                  |                  |          |          | Total            |                  |                  |                  |
|--|------------------|----------|----------|------------------|------------------|----------|----------|------------------|------------------|------------------|------------------|
|  | Undesignated     | Int Serv | WFP      | DIST             | WWTP             | WWCOLL   | LAB      | Budget           | Forecast         | Budget           | Actual           |
|  | 400              | 490      | 491      | 492              | 493              | 494      | 495      | 2021             | 2020             | 2020             | 2019             |
| <b>CAPITAL WATER RESERVE FUNDS</b>                         |                  |          |          |                  |                  |          |          |                  |                  |                  |                  |
| <b>Annual Projects</b>                                     |                  |          |          |                  |                  |          |          |                  |                  |                  |                  |
| Capital Management   | 10,000           | -        | -        | -                | -                | -        | -        | 10,000           | 3,876            | 22,500           | -                |
| Distribution Mains - Development                           | -                | -        | -        | -                | -                | -        | -        | -                | 11,887           | -                | 30,035           |
| Distribution Mains - Upsizing                              | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | -                |
| Indenture Report Upgrades                                  | 250,000          | -        | -        | -                | -                | -        | -        | 250,000          | -                | -                | -                |
| Mobile Equipment   | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 95,925           |
| New & Replacements Meter Installations                     | 50,000           | -        | -        | -                | -                | -        | -        | 50,000           | 55,486           | 50,000           | 81,982           |
| Other Equipment  | 200,000          | -        | -        | -                | -                | -        | -        | 200,000          | 114,514          | 100,000          | 76,601           |
| PennDOT relocations  | 80,000           | -        | -        | -                | -                | -        | -        | 80,000           | -                | -                | -                |
| Reservoir Rehab/Maintenance                                | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | -                |
| WFP General Improvements                                   | 500,000          | -        | -        | -                | -                | -        | -        | 500,000          | 478              | 500,000          | -                |
| WFP General System Replacements                            | -                | -        | -        | 500,000          | -                | -        | -        | 500,000          | 40,160           | 300,000          | 225,070          |
|  | 1,090,000        | -        | -        | 500,000          | -                | -        | -        | 1,590,000        | 226,402          | 972,500          | 509,612          |
| <b>Multi Year Projects</b>                                 |                  |          |          |                  |                  |          |          |                  |                  |                  |                  |
| Annual Water Main Replacements                             | -                | -        | -        | 1,900,000        | -                | -        | -        | 1,900,000        | 1,270            | -                | 647,515          |
| Cedar Creek Bridge Replacement                             | -                | -        | -        | -                | -                | -        | -        | -                | 10,887           | -                | 18,034           |
| Collection System - Development & Service Connection       | -                | -        | -        | -                | -                | -        | -        | -                | 89               | -                | 949              |
| Distribution System Improvements                           | -                | -        | -        | -                | -                | -        | -        | -                | 595,054          | -                | 606,351          |
| EPA AWIA Act 2020  | -                | -        | -        | -                | -                | -        | -        | -                | 33,837           | -                | 31,285           |
| Huck Ridge Main Break                                      | -                | -        | -        | -                | -                | -        | -        | -                | 140,659          | -                | -                |
| High Service Pump VFD Replacement Project                  | -                | -        | -        | 800,000          | -                | -        | -        | 800,000          | -                | -                | -                |
| Iron/AMR Meter Project (1)                                 | -                | -        | -        | 85,000           | -                | -        | -        | 85,000           | 237              | 85,000           | 1,951            |
| Low Lift Painting  | -                | -        | -        | -                | -                | -        | -        | -                | 109,209          | -                | 21,255           |
| Misc Facility Permit                                       | -                | -        | -        | -                | -                | -        | -        | -                | 346              | -                | 11,313           |
| N 17th Main Replacement                                    | -                | -        | -        | -                | -                | -        | -        | -                | 118,452          | -                | -                |
| Schantz Spring Exposed                                     | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 10,714           |
| SR 145 Bridge Project                                      | -                | -        | -        | -                | -                | -        | -        | -                | 142              | -                | 392              |
| Various Water System Related Studies                       | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 144              |
| Water Capital Mgmt/WFP Master Plan                         | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 13,985           |
|  | -                | -        | -        | 2,785,000        | -                | -        | -        | 2,785,000        | 1,010,182        | 85,000           | 1,363,886        |
| <b>Administrative Projects</b>                             |                  |          |          |                  |                  |          |          |                  |                  |                  |                  |
| CMMS Upgrades  | 42,333           | -        | -        | -                | -                | -        | -        | 42,333           | -                | 42,333           | -                |
| Computer System Hardware & Software Upgrades               | 42,333           | -        | -        | -                | -                | -        | -        | 42,333           | -                | 42,333           | 61               |
| Disaster Recovery/Security Upgrades                        | 10,583           | -        | -        | -                | -                | -        | -        | 10,583           | -                | 10,583           | -                |
| Document Management  | 84,667           | -        | -        | -                | -                | -        | -        | 84,667           | -                | 84,667           | -                |
| GIS Upgrades & Application Development                     | 21,167           | -        | -        | -                | -                | -        | -        | 21,167           | -                | 21,167           | -                |
| Information Technology Master Plan Update                  | 52,917           | -        | -        | -                | -                | -        | -        | 52,917           | -                | 52,917           | -                |
| SCADA Programming, Hardware Upgrades, Software & Training  | 63,500           | -        | -        | -                | -                | -        | -        | 63,500           | 144,980          | 63,500           | 143,429          |
|  | 317,500          | -        | -        | -                | -                | -        | -        | 317,500          | 144,980          | 317,500          | 143,489          |
| <b>Total Capital Water Reserve Fund</b>                    | <b>1,407,500</b> | <b>-</b> | <b>-</b> | <b>3,285,000</b> | <b>-</b>         | <b>-</b> | <b>-</b> | <b>4,692,500</b> | <b>1,381,564</b> | <b>1,375,000</b> | <b>2,016,987</b> |
| <b>CAPITAL WASTEWATER RESERVE FUNDS</b>                    |                  |          |          |                  |                  |          |          |                  |                  |                  |                  |
| <b>Annual Projects</b>                                     |                  |          |          |                  |                  |          |          |                  |                  |                  |                  |
| 2020 SBM Data Capture                                      | -                | -        | -        | -                | -                | -        | -        | -                | 8,187            | -                | -                |
| Capital Management   | 10,000           | -        | -        | -                | -                | -        | -        | 10,000           | 1,798            | 10,000           | 10,524           |
| Collection System - Development                            | -                | -        | -        | -                | -                | -        | -        | -                | 35,481           | -                | 12,854           |
| Indenture Report Upgrades                                  | 500,000          | -        | -        | -                | -                | -        | -        | 500,000          | -                | -                | -                |
| Mobile Equipment   | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 128,113          |
| Other Equipment  | 350,000          | -        | -        | -                | -                | -        | -        | 350,000          | 246,490          | 300,000          | 344,395          |
| PennDOT relocations  | 200,000          | -        | -        | -                | -                | -        | -        | 200,000          | -                | -                | -                |
| Roof Replacements  | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 118              |
| Sanitary Sewer Main Replacements & Rehab                   | 100,000          | -        | -        | -                | -                | -        | -        | 100,000          | 39,176           | 100,000          | 59,839           |
| Various Wastewater System Related Studies                  | -                | -        | -        | -                | -                | -        | -        | -                | 6,193            | -                | 1,041            |
| WWTP Clarifier Mech  | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 1,815            |
| WWTP General Improvements                                  | 800,000          | -        | -        | -                | -                | -        | -        | 800,000          | 209,927          | 800,000          | 152,339          |
|  | 1,960,000        | -        | -        | -                | -                | -        | -        | 1,960,000        | 547,254          | 1,210,000        | 711,037          |
| <b>Multi Year Projects</b>                                 |                  |          |          |                  |                  |          |          |                  |                  |                  |                  |
| Boiler Replacement and Solids Process HVAC Upgrade Project | 200,000          | -        | -        | -                | -                | -        | -        | 200,000          | -                | -                | -                |
| Elec Substation  | -                | -        | -        | -                | -                | -        | -        | -                | 311              | -                | 1,337,787        |
| Flow Characterization Study (2)                            | -                | -        | -        | -                | 1,250,000        | -        | -        | 1,250,000        | -                | 1,500,000        | -                |
| I&I Source Reduction                                       | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 185,903          |
| KIWWTP Interim 537   | -                | -        | -        | -                | -                | -        | -        | -                | 118,739          | -                | 14,186           |
| KIWWTP Master Plan   | -                | -        | -        | -                | -                | -        | -        | -                | -                | -                | 21,376           |
| KIWWTP Max Month Study                                     | -                | -        | -        | -                | -                | -        | -        | -                | 1,101            | -                | 34,888           |
| KIWWTP Peak Flow Study                                     | -                | -        | -        | -                | -                | -        | -        | -                | 57,334           | -                | -                |
| Regional Flow Management Strategy (2)                      | -                | -        | -        | -                | 775,000          | -        | -        | 775,000          | 885,004          | 730,000          | -                |
| SR 145 Bridge Project                                      | -                | -        | -        | -                | -                | -        | -        | -                | 2,557            | -                | 76,992           |
|  | 200,000          | -        | -        | -                | 2,025,000        | -        | -        | 2,225,000        | 1,065,045        | 2,230,000        | 1,671,131        |
| <b>Total Capital WasteWater Reserve Fund</b>               | <b>2,160,000</b> | <b>-</b> | <b>-</b> | <b>-</b>         | <b>2,025,000</b> | <b>-</b> | <b>-</b> | <b>4,185,000</b> | <b>1,612,300</b> | <b>3,440,000</b> | <b>2,382,168</b> |
| <b>TOTAL CAPITAL EXPENSES:</b>                             | <b>3,567,500</b> | <b>-</b> | <b>-</b> | <b>3,285,000</b> | <b>2,025,000</b> | <b>-</b> | <b>-</b> | <b>8,877,500</b> | <b>2,993,864</b> | <b>4,815,000</b> | <b>4,399,156</b> |

(1) "Uncompleted Work" City Projects that were supposed to be complete by the time of settlement or executed by City personnel after settlement.  
The City will fund these projects but has requested that LCA execute them.

(2) "Administrative Order" Projects as per the Agreement are to be Funded by the City and executed by LCA.

**Note:** Annual Water Projects Includes Sodium Hypo project in 2021

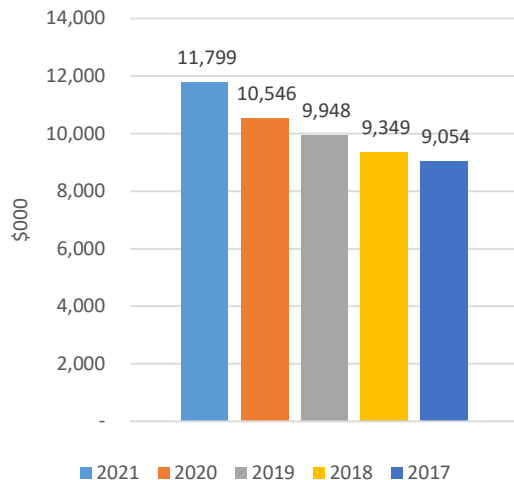
## Supplemental Information

**LEHIGH COUNTY AUTHORITY**  
**DEBT SERVICE RATIO AND CAPITAL COVERAGE RATIO**  
**2021 Budget and Comparative Prior Period Data**

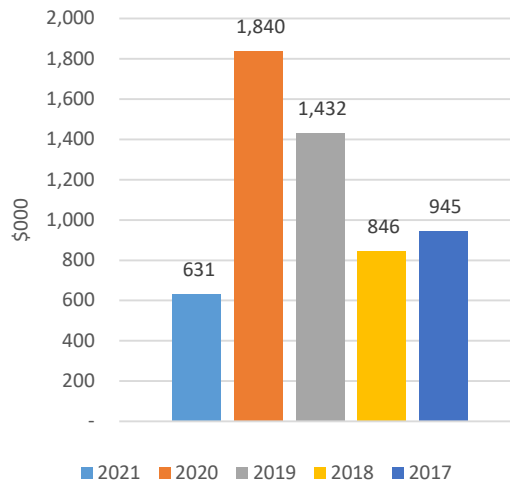
|  | Suburban Water |               |             |             | Suburban Wastewater |               |              |              | City Division |               |              |              | Total LCA    |               |              |              |
|--|----------------|---------------|-------------|-------------|---------------------|---------------|--------------|--------------|---------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|
|  | Budget 2021    | Forecast 2020 | Budget 2020 | Actual 2019 | Budget 2021         | Forecast 2020 | Budget 2020  | Actual 2019  | Budget 2021   | Forecast 2020 | Budget 2020  | Actual 2019  | Budget 2021  | Forecast 2020 | Budget 2020  | Actual 2019  |
| <b><u>Debt Service Ratio (Indenture Based)</u></b> |                |               |             |             |                     |               |              |              |               |               |              |              |              |               |              |              |
| Total Operating Revenues                           | 11,799,441     | 10,546,404    | 10,582,010  | 9,948,169   | 19,166,369          | 15,626,824    | 16,446,154   | 14,062,562   | 41,996,514    | 35,988,451    | 37,315,488   | 37,075,861   | 72,962,324   | 62,161,679    | 64,343,652   | 61,086,592   |
| Total Operating Expenses (Cash Based)              | (8,637,775)    | (6,134,848)   | (7,334,728) | (6,027,132) | (13,248,398)        | (11,391,541)  | (12,355,646) | (11,716,436) | (19,758,093)  | (19,386,416)  | (18,659,910) | (18,165,550) | (41,644,267) | (36,912,805)  | (38,350,284) | (35,909,118) |
| Interest Income                                    | 94,327         | 89,072        | 160,000     | 179,193     | 190,471             | 179,859       | 200,000      | 332,846      | 172,960       | 166,148       | 900,000      | 1,193,617    | 457,758      | 435,079       | 1,260,000    | 1,705,656    |
| Annual Lease Payment (City)                        | -              | -             | -           | -           | -                   | -             | -            | -            | (1,230,600)   | (533,258)     | (533,258)    | (524,861)    | (1,230,600)  | (533,258)     | (533,258)    | (524,861)    |
| Total Non-Operating Revenues (Expenses)            | 942,983        | 796,545       | 776,500     | 1,000,653   | 866,216             | 3,402,279     | 846,282      | 1,616,882    | 4,007,230     | 2,492,172     | 4,356,800    | 2,237,653    | 5,816,428    | 6,690,997     | 5,979,582    | 4,855,187    |
| Cash Available For Debt Service                    | 4,198,975      | 5,297,173     | 4,183,782   | 5,100,883   | 6,974,657           | 7,817,421     | 5,136,790    | 4,295,854    | 25,188,011    | 18,727,097    | 23,379,120   | 21,816,720   | 36,361,643   | 31,841,691    | 32,699,692   | 31,213,457   |
| Interest and Fees Paid                             | 1,406,328      | 1,436,287     | 1,508,789   | 1,545,029   | 181,995             | 195,887       | 803,082      | 213,115      | 11,565,086    | 10,608,837    | 13,978,238   | 12,185,856   | 13,153,409   | 12,241,011    | 16,290,109   | 13,943,999   |
| Principal Paid                                     | 2,092,818      | 2,081,372     | 1,832,775   | 1,725,137   | 549,034             | 542,067       | 813,353      | 499,109      | 2,660,831     | 2,040,000     | 1,442,932    | 1,230,893    | 5,302,683    | 4,663,439     | 4,089,060    | 3,455,139    |
| Total Debt Service                                 | 3,499,146      | 3,517,659     | 3,341,564   | 3,270,165   | 731,029             | 737,954       | 1,616,435    | 712,224      | 14,225,917    | 12,648,837    | 15,421,170   | 13,416,749   | 18,456,092   | 16,904,450    | 20,379,169   | 17,399,138   |
| Debt Service Ratio                                 | 1.20           | 1.51          | 1.25        | 1.56        | 9.54                | 10.59         | 3.18         | 6.03         | 1.77          | 1.48          | 1.52         | 1.63         | 1.97         | 1.88          | 1.60         | 1.79         |
| <b><u>Capital Coverage Ratio</u></b>               |                |               |             |             |                     |               |              |              |               |               |              |              |              |               |              |              |
| Net Cash Available After Debt Service              | (243,154)      | 982,969       | 65,718      | 830,065     | 5,377,412           | 3,677,188     | 2,674,073    | 1,966,748    | 6,954,865     | 3,586,088     | 3,601,150    | 6,162,319    | 12,089,123   | 8,246,244     | 6,340,941    | 8,959,131    |
| Total Non-Operating Revenues                       | 942,983        | 796,545       | 776,500     | 1,000,653   | 866,216             | 3,402,279     | 846,282      | 1,616,882    | 4,007,230     | 2,492,172     | 4,356,800    | 2,237,653    | 5,816,428    | 6,690,997     | 5,979,582    | 4,855,187    |
| Net Cash Available For Capital                     | 699,829        | 1,779,514     | 842,218     | 1,830,717   | 6,243,628           | 7,079,467     | 3,520,355    | 3,583,630    | 10,962,095    | 6,078,260     | 7,957,950    | 8,399,971    | 17,905,551   | 14,937,241    | 12,320,523   | 13,814,319   |
| Net Capital Spending                               | 4,186,600      | 4,317,875     | 8,006,600   | 8,764,955   | 2,921,800           | 3,470,734     | 7,670,500    | 10,671,537   | 6,753,528     | 1,705,939     | 2,032,084    | 3,148,744    | 13,861,928   | 9,494,549     | 17,709,184   | 22,585,236   |
| Expensed Capex                                     | 3,400          | 3,400         | 3,400       | -           | 1,000,000           | 1,000,000     | 1,000,000    | -            | 2,123,972     | 1,287,924     | 2,782,916    | 1,250,412    | 3,127,372    | 2,291,324     | 3,786,316    | 1,250,412    |
| Total Capital Spending                             | 4,190,000      | 4,321,275     | 8,010,000   | 8,764,955   | 3,921,800           | 4,470,734     | 8,670,500    | 10,671,537   | 8,877,500     | 2,993,864     | 4,815,000    | 4,399,156    | 16,989,300   | 11,785,873    | 21,495,500   | 23,835,648   |
| Capital Coverage Ratio                             | 0.17           | 0.41          | 0.11        | 0.21        | 1.59                | 1.58          | 0.41         | 0.34         | 1.23          | 2.03          | 1.65         | 1.91         | 1.05         | 1.27          | 0.57         | 0.58         |

# Dashboard – Suburban Water

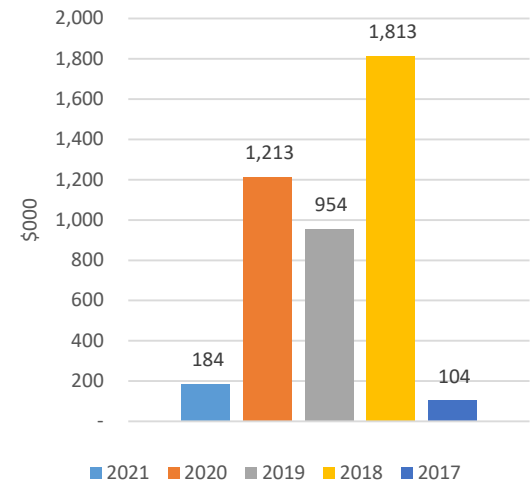
Operating Revenues



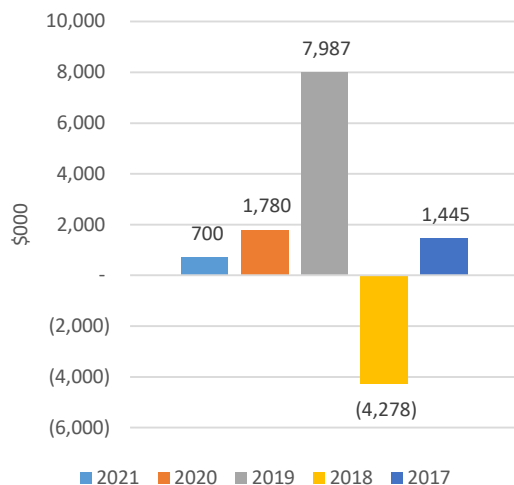
Operating Income



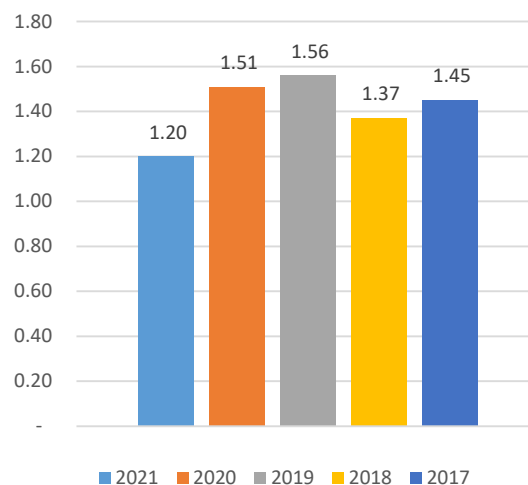
Net Income (Loss)



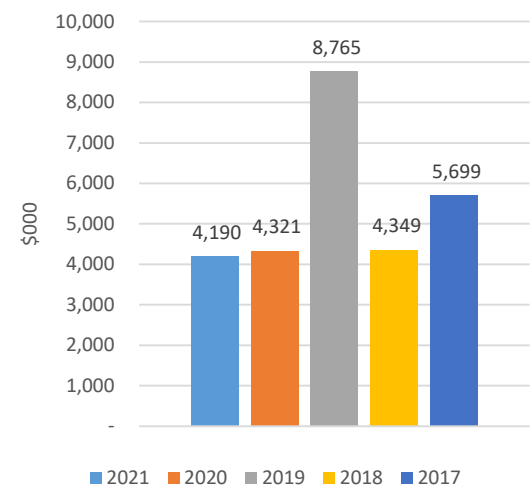
Net Cash Available For Capital



Debt Service Coverage Ratio

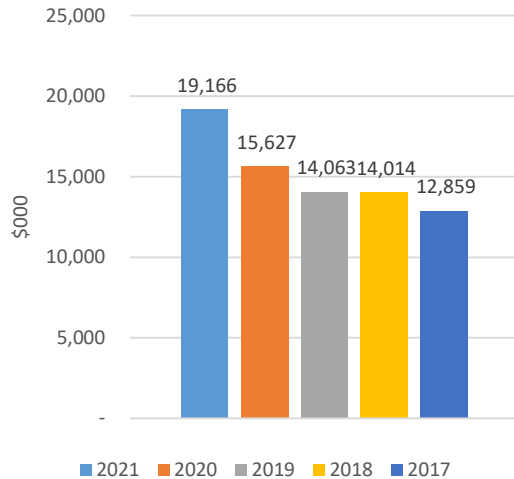


Capital Spending

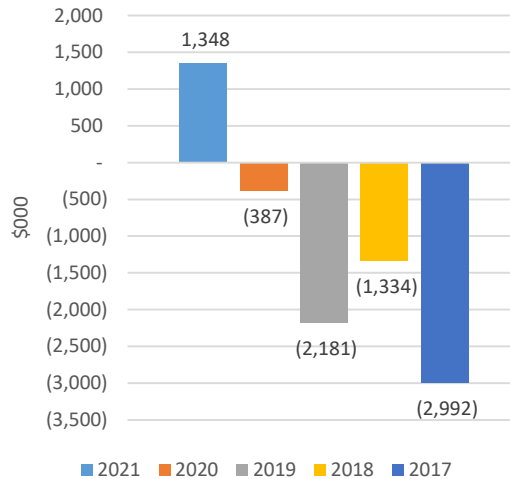


# Dashboard – Suburban Wastewater

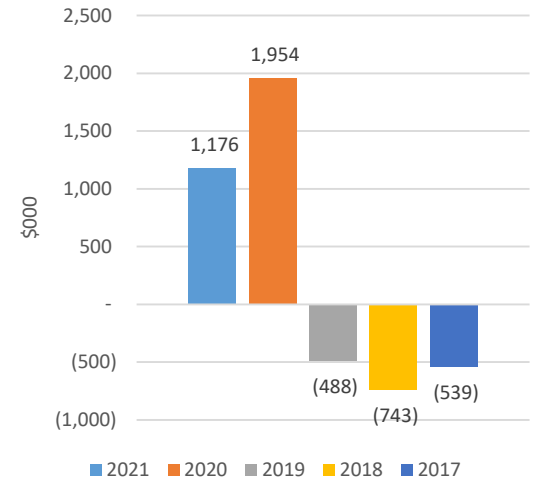
Operating Revenues



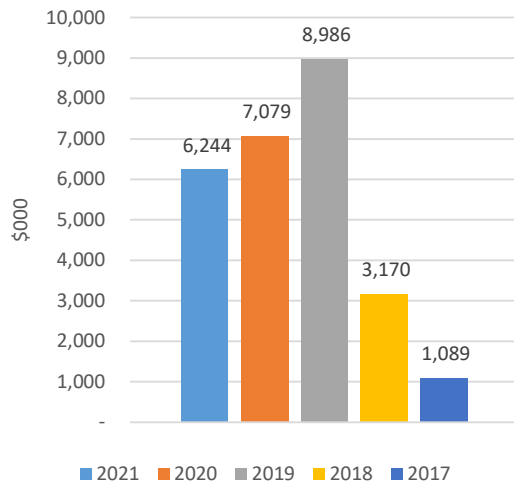
Operating Income



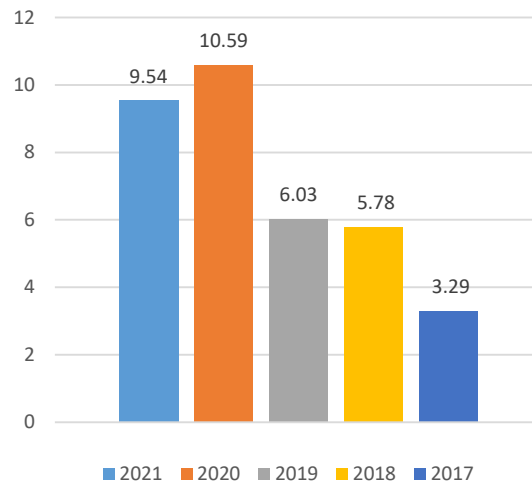
Net Income (Loss)



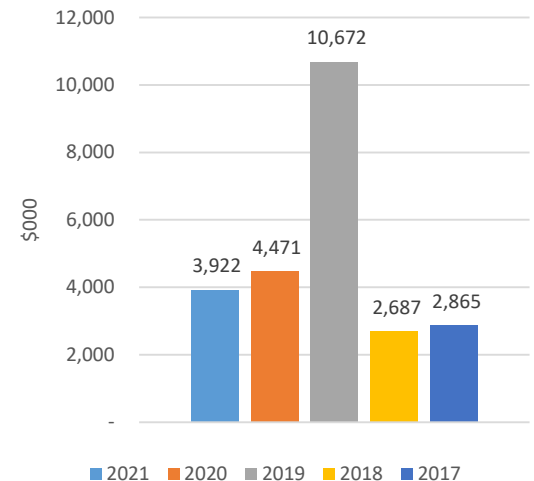
Net Cash Available For Capital



Debt Service Coverage Ratio

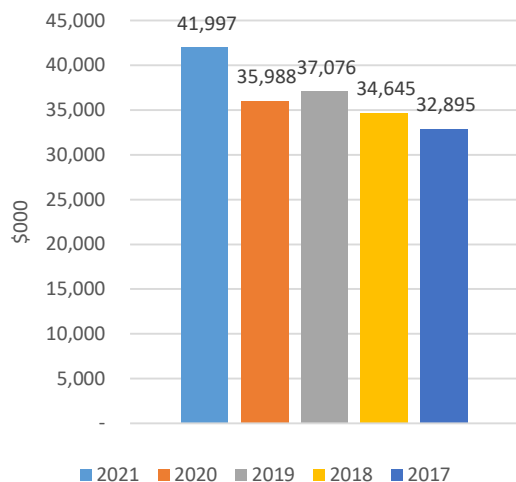


Capital Spending

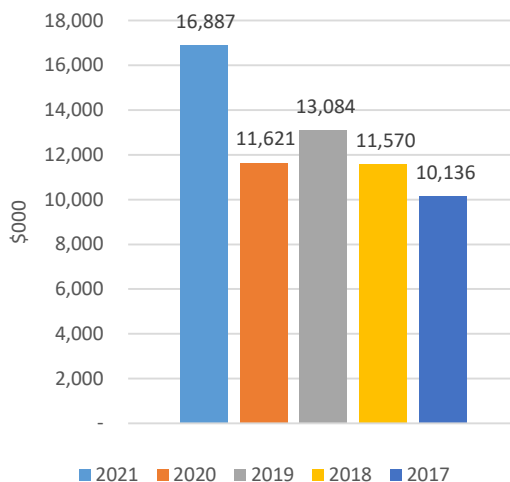


# Dashboard – City Division

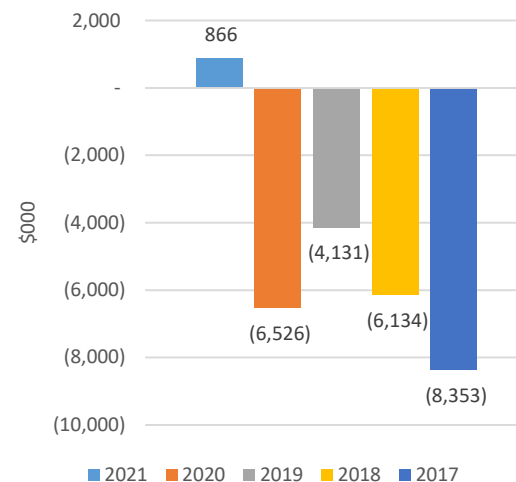
## Operating Revenues



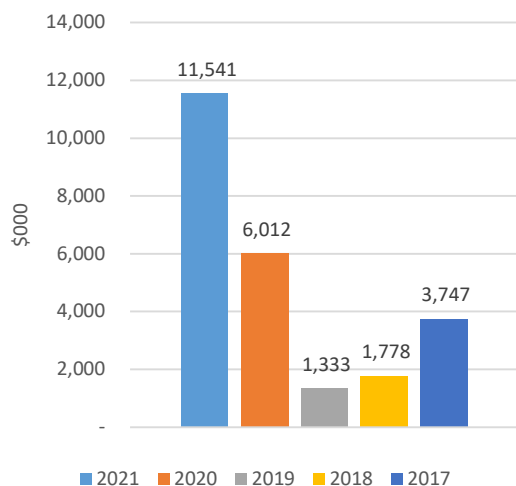
## Operating Income



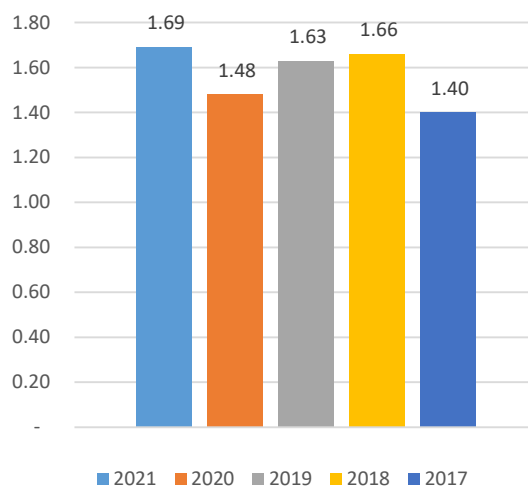
## Net Income (Loss)



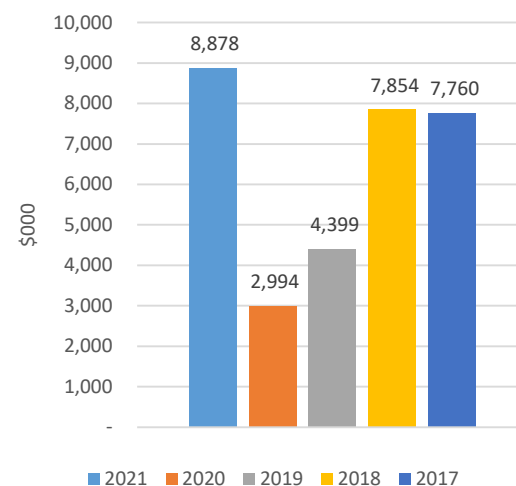
## Net Cash Available For Capital



## Debt Service Coverage Ratio



## Capital Spending



LEHIGH COUNTY AUTHORITY  
SUMMARY OF LONG TERM DEBT  
2021 Budget and Comparative Prior Period Data

|   | Long Term Debt for 2020 |                      |             |                         |               |  |                       |                      |             | Long Term Debt for 2021 |                      |             |                         |             |  |                       |                      |             |
|---|-------------------------|----------------------|-------------|-------------------------|---------------|--|-----------------------|----------------------|-------------|-------------------------|----------------------|-------------|-------------------------|-------------|--|-----------------------|----------------------|-------------|
|   | December 31, 2019       |                      |             |                         |               |  | December 31, 2020     |                      |             | December 31, 2020       |                      |             |                         |             |  | December 31, 2021     |                      |             |
|   | Short Term<br>Portion   | Long Term<br>Portion | Total Debt  | Additions<br>Accretions | Retirements   |  | Short Term<br>Portion | Long Term<br>Portion | Total Debt  | Short Term<br>Portion   | Long Term<br>Portion | Total Debt  | Additions<br>Accretions | Retirements |  | Short Term<br>Portion | Long Term<br>Portion | Total Debt  |
| Suburban Water Fund   |                         |                      |             |                         |               |  |                       |                      |             |                         |                      |             |                         |             |  |                       |                      |             |
| Water Revenue Bonds Series of 2010 A                              | -                       | 11,590,000           | 11,590,000  | -                       | -             |  | -                     | 11,590,000           | 11,590,000  | -                       | -                    | -           | -                       | -           |  | -                     | 11,590,000           | 11,590,000  |
| Water Revenue Bonds Series of 2011                                | 122,044                 | 191,245              | 313,289     | -                       | (122,044)     |  | 116,581               | 74,664               | 191,245     | 116,581                 | 74,664               | 191,245     | -                       | (116,581)   |  | 74,664                | -                    | 74,664      |
| Water Revenue Bonds Series of 2015                                | 1,072,850               | 1,088,705            | 2,161,555   | -                       | (1,072,850)   |  | 1,088,705             | -                    | 1,088,705   | 1,088,705               | -                    | 1,088,705   | -                       | (1,088,705) |  | -                     | -                    | -           |
| Water Revenue Bonds Series of 2015 A                              | 318,100                 | 7,717,300            | 8,035,400   | -                       | (318,100)     |  | 304,500               | 7,412,800            | 7,717,300   | 304,500                 | 7,412,800            | 7,717,300   | -                       | (304,500)   |  | 1,475,100             | 5,937,700            | 7,412,800   |
| Water Revenue Bonds Series of 2017                                | 320,000                 | 14,580,000           | 14,900,000  | -                       | (320,000)     |  | 330,000               | 14,250,000           | 14,580,000  | 330,000                 | 14,250,000           | 14,580,000  | -                       | (330,000)   |  | 340,000               | 13,910,000           | 14,250,000  |
| 2007 State Pennworks Note   | 176,181                 | 1,302,910            | 1,479,091   | -                       | (176,181)     |  | 179,737               | 1,123,173            | 1,302,910   | 179,737                 | 1,123,173            | 1,302,910   | -                       | (179,737)   |  | 183,365               | 939,808              | 1,123,173   |
| 2011 Pennsylvania Infrastructure Investment Authority Note        | 72,197                  | 935,199              | 1,007,396   | -                       | (72,197)      |  | 73,295                | 861,904              | 935,199     | 73,295                  | 861,904              | 935,199     | -                       | (73,295)    |  | 74,410                | 787,494              | 861,904     |
| Subtotal  | 2,081,372               | 37,405,359           | 39,486,731  | -                       | (2,081,372)   |  | 2,092,818             | 35,312,541           | 37,405,359  | 2,092,818               | 35,312,541           | 37,405,359  | -                       | (2,092,818) |  | 2,147,539             | 33,165,002           | 35,312,541  |
| Bond Premium / Discount   | -                       | 359,339              | 359,339     | -                       | -             |  | -                     | 359,339              | 359,339     | -                       | 359,339              | 359,339     | -                       | -           |  | -                     | 359,339              | 359,339     |
| Net Suburban Water Fund Long-Term Debt                            | 2,081,372               | 37,764,698           | 39,846,070  | -                       | (2,081,372)   |  | 2,092,818             | 35,671,880           | 37,764,698  | 2,092,818               | 35,671,880           | 37,764,698  | -                       | (2,092,818) |  | 2,147,539             | 33,524,341           | 35,671,880  |
| Suburban Wastewater Fund  |                         |                      |             |                         |               |  |                       |                      |             |                         |                      |             |                         |             |  |                       |                      |             |
| 2009 Pennsylvania Infrastructure Investment Authority Note        | 253,464                 | 2,950,716            | 3,204,180   | -                       | (253,464)     |  | 259,995               | 2,690,721            | 2,950,716   | 259,995                 | 2,690,721            | 2,950,716   | -                       | (259,995)   |  | 266,694               | 2,424,027            | 2,690,721   |
| 2011 Sewer Revenue Bonds Series A                                 | 114,905                 | 1,367,092            | 1,481,997   | -                       | (114,905)     |  | 114,259               | 1,252,833            | 1,367,092   | 114,259                 | 1,252,833            | 1,367,092   | -                       | (114,259)   |  | 118,358               | 1,134,475            | 1,252,833   |
| 2013 Pennsylvania Infrastructure Investment Authority Note        | 135,942                 | 2,022,962            | 2,158,904   | -                       | (135,942)     |  | 138,009               | 1,884,953            | 2,022,962   | 138,009                 | 1,884,953            | 2,022,962   | -                       | (138,009)   |  | 140,107               | 1,744,846            | 1,884,953   |
| 2015 Pennsylvania Infrastructure Investment Authority Note        | 37,756                  | 628,777              | 666,533     | -                       | (37,756)      |  | 36,771                | 592,006              | 628,777     | 36,771                  | 592,006              | 628,777     | -                       | (36,771)    |  | 36,922                | 555,084              | 592,006     |
| Subtotal  | 542,067                 | 6,969,547            | 7,511,614   | -                       | (542,067)     |  | 549,034               | 6,420,513            | 6,969,547   | 549,034                 | 6,420,513            | 6,969,547   | -                       | (549,034)   |  | 562,081               | 5,858,432            | 6,420,513   |
| Bond Premium / Discount   | -                       | -                    | -           | -                       | -             |  | -                     | -                    | -           | -                       | -                    | -           | -                       | -           |  | -                     | -                    | -           |
| Net Suburban Wastewater Fund Long-Term Debt                       | 542,067                 | 6,969,547            | 7,511,614   | -                       | (542,067)     |  | 549,034               | 6,420,513            | 6,969,547   | 549,034                 | 6,420,513            | 6,969,547   | -                       | (549,034)   |  | 562,081               | 5,858,432            | 6,420,513   |
| City Division Fund  |                         |                      |             |                         |               |  |                       |                      |             |                         |                      |             |                         |             |  |                       |                      |             |
| 2013 Water and Sewer Revenue Bonds, Series A                      | 137,975,000             | 107,615,000          | 245,590,000 | -                       | (137,975,000) |  | -                     | 107,615,000          | 107,615,000 | -                       | 107,615,000          | 107,615,000 | -                       | -           |  | -                     | 107,615,000          | 107,615,000 |
| 2020 Water and Sewer Revenue Bonds, Series 2020                   | -                       | -                    | -           | 161,035,000             | -             |  | -                     | 161,035,000          | 161,035,000 | -                       | 161,035,000          | 161,035,000 | -                       | -           |  | -                     | 161,035,000          | 161,035,000 |
| 2013 Water and Sewer Capital Appreciation Revenue Bonds, Series B | 882,406                 | 60,760,810           | 61,643,216  | 3,434,704               | (915,000)     |  | 1,286,487             | 62,876,433           | 64,162,920  | 1,286,487               | 62,876,433           | 64,162,920  | 3,748,807               | (1,395,000) |  | 1,661,079             | 64,855,649           | 66,516,728  |
| 2018 Water and Sewer Revenue Bonds (Federally Taxable) Series C   | 955,000                 | 16,985,000           | 17,940,000  | -                       | (17,940,000)  |  | -                     | -                    | -           | -                       | -                    | -           | -                       | -           |  | -                     | -                    | -           |
| 2020 Water and Sewer Revenue Bonds (Federally Taxable) Series A   | -                       | -                    | -           | 18,150,000              | (1,125,000)   |  | 1,175,000             | 15,850,000           | 17,025,000  | 1,175,000               | 15,850,000           | 17,025,000  | -                       | (1,175,000) |  | -                     | 15,850,000           | 15,850,000  |
| Subtotal  | 139,812,406             | 185,360,810          | 325,173,216 | 182,619,704             | (157,955,000) |  | 2,461,487             | 347,376,433          | 349,837,920 | 2,461,487               | 347,376,433          | 349,837,920 | 3,748,807               | (2,570,000) |  | 1,661,079             | 349,355,649          | 351,016,728 |
| Bond Premium / Discount   | -                       | (8,865,423)          | (8,865,423) | -                       | -             |  | -                     | (8,865,423)          | (8,865,423) | -                       | (8,865,423)          | (8,865,423) | -                       | -           |  | -                     | (8,865,423)          | (8,865,423) |
| Net City Division Fund Long-Term Debt                             | 139,812,406             | 176,495,387          | 316,307,793 | 182,619,704             | (157,955,000) |  | 2,461,487             | 338,511,010          | 340,972,497 | 2,461,487               | 338,511,010          | 340,972,497 | 3,748,807               | (2,570,000) |  | 1,661,079             | 340,490,226          | 342,151,305 |
| Total Net Long-Term Debt  | 142,435,845             | 221,229,632          | 363,665,477 | 182,619,704             | (160,578,439) |  | 5,103,339             | 380,603,403          | 385,706,742 | 5,103,339               | 380,603,403          | 385,706,742 | 3,748,807               | (5,211,852) |  | 4,370,699             | 379,872,999          | 384,243,698 |

**LEHIGH COUNTY AUTHORITY**  
**SCHEDULE OF PRINCIPAL MATURITY AND DEBT SERVICE**  
**2021 Budget and Comparative Prior Period Data**

|   | Suburban Water   |                |                    | Suburban Wastewater |                |                    | City Division    |                |                    | Total LCA        |                |                    |
|---|------------------|----------------|--------------------|---------------------|----------------|--------------------|------------------|----------------|--------------------|------------------|----------------|--------------------|
|   | Principle Amount | Total Interest | Total Debt Service | Principle Amount    | Total Interest | Total Debt Service | Principle Amount | Total Interest | Total Debt Service | Principle Amount | Total Interest | Total Debt Service |
| 2019 - Audit                              | 1,725,137        | 1,468,478      | 3,193,615          | 499,109             | 198,934        | 698,043            | 1,230,893        | 13,428,383     | 14,659,276         | 3,455,139        | 15,095,795     | 18,550,934         |
| 2020 - Forecast                           | 2,081,372        | 1,436,287      | 3,517,659          | 542,067             | 195,887        | 737,954            | 157,922,406      | 10,801,197     | 168,723,603        | 160,545,845      | 12,433,371     | 172,979,216        |
| SubTotal Prior Obligations                | 3,806,509        | 2,904,765      | 6,711,274          | 1,041,176           | 394,821        | 1,435,997          | 159,153,300      | 24,229,580     | 183,382,880        | 164,000,984      | 27,529,166     | 191,530,151        |
| 2021 - Budget                             | 2,092,818        | 1,406,328      | 3,499,146          | 549,034             | 184,072        | 733,106            | 2,461,487        | 11,697,831     | 14,159,318         | 5,103,339        | 13,288,231     | 18,391,570         |
| SubTotal Current Obligations              | 2,092,818        | 1,406,328      | 3,499,146          | 549,034             | 184,072        | 733,106            | 2,461,487        | 11,697,831     | 14,159,318         | 5,103,339        | 13,288,231     | 18,391,570         |
| 2022                                      | 2,147,539        | 1,351,168      | 3,498,707          | 562,081             | 169,411        | 731,492            | 2,871,079        | 11,744,932     | 14,616,011         | 5,580,699        | 13,265,511     | 18,846,210         |
| 2023                                      | 2,201,607        | 1,299,901      | 3,501,508          | 575,980             | 153,143        | 729,123            | 3,247,078        | 11,883,843     | 15,130,921         | 6,024,665        | 13,336,887     | 19,361,552         |
| 2024                                      | 2,194,031        | 1,250,434      | 3,444,465          | 590,251             | 136,418        | 726,669            | 3,586,247        | 12,078,569     | 15,664,816         | 6,370,529        | 13,465,421     | 19,835,950         |
| 2025                                      | 2,277,350        | 1,188,131      | 3,465,481          | 604,907             | 119,220        | 724,127            | 3,895,996        | 12,321,700     | 16,217,696         | 6,778,253        | 13,629,051     | 20,407,304         |
| 2026                                      | 2,380,063        | 1,123,270      | 3,503,333          | 619,957             | 101,536        | 721,493            | 3,940,919        | 12,845,192     | 16,786,111         | 6,940,939        | 14,069,998     | 21,010,937         |
| 2027                                      | 2,593,823        | 1,040,669      | 3,634,492          | 635,412             | 83,350         | 718,762            | 4,203,202        | 13,171,409     | 17,374,611         | 7,432,438        | 14,295,428     | 21,727,866         |
| 2028                                      | 2,681,461        | 914,681        | 3,596,142          | 651,287             | 64,649         | 715,936            | 4,439,300        | 13,546,062     | 17,985,361         | 7,772,048        | 14,525,392     | 22,297,439         |
| 2029                                      | 2,772,700        | 783,387        | 3,556,087          | 667,592             | 45,416         | 713,008            | 4,656,959        | 13,966,152     | 18,623,111         | 8,097,251        | 14,794,955     | 22,892,206         |
| 2030                                      | 2,868,957        | 641,754        | 3,510,711          | 684,340             | 25,636         | 709,976            | 4,856,002        | 14,416,609     | 19,272,611         | 8,409,299        | 15,083,999     | 23,493,298         |
| 2031                                      | 2,970,234        | 492,665        | 3,462,899          | 252,498             | 11,169         | 263,667            | 5,038,303        | 14,910,558     | 19,948,861         | 8,261,035        | 15,414,392     | 23,675,427         |
| 2032                                      | 559,776          | 335,822        | 895,598            | 206,875             | 7,674          | 214,549            | 5,206,038        | 15,445,824     | 20,651,861         | 5,972,689        | 15,789,320     | 21,762,008         |
| 2033                                      | 510,000          | 320,564        | 830,564            | 210,125             | 4,425          | 214,550            | 5,360,251        | 16,015,860     | 21,376,111         | 6,080,376        | 16,340,849     | 22,421,225         |
| 2034                                      | 525,000          | 304,626        | 829,626            | 101,197             | 1,616          | 102,813            | 4,090,406        | 17,005,955     | 21,096,361         | 4,716,603        | 17,312,197     | 22,028,800         |
| 2035                                      | 535,000          | 288,220        | 823,220            | 46,304              | 642            | 46,946             | 4,638,783        | 18,582,578     | 23,221,361         | 5,220,087        | 18,871,440     | 24,091,527         |
| 2036                                      | 560,000          | 271,501        | 831,501            | 11,707              | 34             | 11,741             | 4,865,398        | 19,810,963     | 24,676,361         | 5,437,105        | 20,082,498     | 25,519,603         |
| 2037                                      | 580,000          | 253,581        | 833,581            | -                   | -              | -                  | 5,073,731        | 21,152,630     | 26,226,361         | 5,653,731        | 21,406,211     | 27,059,942         |
| 2038                                      | 595,000          | 234,731        | 829,731            | -                   | -              | -                  | 5,354,630        | 21,876,731     | 27,231,361         | 5,949,630        | 22,111,462     | 28,061,092         |
| 2039                                      | 615,000          | 214,650        | 829,650            | -                   | -              | -                  | 10,090,000       | 11,051,361     | 21,141,361         | 10,705,000       | 11,266,011     | 21,971,011         |
| 2040                                      | 635,000          | 193,894        | 828,894            | -                   | -              | -                  | 11,130,000       | 10,546,861     | 21,676,861         | 11,765,000       | 10,740,755     | 22,505,755         |
| 2041                                      | 660,000          | 172,462        | 832,462            | -                   | -              | -                  | 12,235,000       | 9,990,361      | 22,225,361         | 12,895,000       | 10,162,823     | 23,057,823         |
| 2042                                      | 680,000          | 150,187        | 830,187            | -                   | -              | -                  | 13,425,000       | 9,378,611      | 22,803,611         | 14,105,000       | 9,528,798      | 23,633,798         |
| 2043                                      | 705,000          | 127,237        | 832,237            | -                   | -              | -                  | 14,685,000       | 8,707,361      | 23,392,361         | 15,390,000       | 8,834,598      | 24,224,598         |
| 2044                                      | 730,000          | 103,444        | 833,444            | -                   | -              | -                  | 10,665,000       | 7,973,111      | 18,638,111         | 11,395,000       | 8,076,555      | 19,471,555         |
| 2045                                      | 750,000          | 78,806         | 828,806            | -                   | -              | -                  | 11,210,000       | 7,426,530      | 18,636,530         | 11,960,000       | 7,505,336      | 19,465,336         |
| 2046                                      | 780,000          | 53,494         | 833,494            | -                   | -              | -                  | 11,785,000       | 6,852,017      | 18,637,017         | 12,565,000       | 6,905,511      | 19,470,511         |
| 2047                                      | 805,000          | 27,168         | 832,168            | -                   | -              | -                  | 12,390,000       | 6,248,036      | 18,638,036         | 13,195,000       | 6,275,204      | 19,470,204         |
| 2048                                      | -                | -              | -                  | -                   | -              | -                  | 11,100,000       | 5,613,049      | 16,713,049         | 11,100,000       | 5,613,049      | 16,713,049         |
| 2049                                      | -                | -              | -                  | -                   | -              | -                  | 11,460,000       | 5,254,297      | 16,714,297         | 11,460,000       | 5,254,297      | 16,714,297         |
| 2050                                      | -                | -              | -                  | -                   | -              | -                  | 11,830,000       | 4,883,910      | 16,713,910         | 11,830,000       | 4,883,910      | 16,713,910         |
| 2051                                      | -                | -              | -                  | -                   | -              | -                  | 12,210,000       | 4,501,564      | 16,711,564         | 12,210,000       | 4,501,564      | 16,711,564         |
| 2052                                      | -                | -              | -                  | -                   | -              | -                  | 12,635,000       | 4,076,412      | 16,711,412         | 12,635,000       | 4,076,412      | 16,711,412         |
| 2053                                      | -                | -              | -                  | -                   | -              | -                  | 13,075,000       | 3,636,461      | 16,711,461         | 13,075,000       | 3,636,461      | 16,711,461         |
| 2054                                      | -                | -              | -                  | -                   | -              | -                  | 13,530,000       | 3,181,190      | 16,711,190         | 13,530,000       | 3,181,190      | 16,711,190         |
| 2055                                      | -                | -              | -                  | -                   | -              | -                  | 14,005,000       | 2,710,075      | 16,715,075         | 14,005,000       | 2,710,075      | 16,715,075         |
| 2056                                      | -                | -              | -                  | -                   | -              | -                  | 14,490,000       | 2,222,421      | 16,712,421         | 14,490,000       | 2,222,421      | 16,712,421         |
| 2057                                      | -                | -              | -                  | -                   | -              | -                  | 15,015,000       | 1,696,144      | 16,711,144         | 15,015,000       | 1,696,144      | 16,711,144         |
| 2058                                      | -                | -              | -                  | -                   | -              | -                  | 15,560,000       | 1,150,799      | 16,710,799         | 15,560,000       | 1,150,799      | 16,710,799         |
| 2059                                      | -                | -              | -                  | -                   | -              | -                  | 16,125,000       | 585,660        | 16,710,660         | 16,125,000       | 585,660        | 16,710,660         |
| SubTotal Future Obligations               | 35,312,541       | 13,216,447     | 48,528,988         | 6,420,513           | 924,339        | 7,344,852          | 343,974,323      | 378,461,798    | 722,436,121        | 385,707,377      | 392,602,584    | 778,309,961        |
| TOTAL PRINCIPAL MATURITY AND DEBT SERVICE | 41,211,868       | 17,527,540     | 58,739,408         | 8,010,723           | 1,503,232      | 9,513,955          | 505,589,110      | 414,389,209    | 919,978,318        | 554,811,701      | 433,419,981    | 988,231,682        |



**Lehigh County Authority**  
**2021 Budget and Comparative Prior Period Data**  
**Definitions and Explanations of Accounts**

**OPERATING REVENUES:**

**Large Industrial** – This classification includes water revenue from utility billing customers classified as Large Industrial.

**Other Industrial/Commercial** – This classification includes water revenue from utility billing customers classified as Other Industrial and Commercial.

**Residential** – This classification includes water revenue from utility billing customers classified as Residential. The category includes apartments, mobile homes, single family attached and single family detached dwellings.

**Penalties** – Late fees assessed to past due accounts.

**Private Fire Service** – This classification includes charges for private fire protection for those industrial/commercial customers who have either a sprinkler system or private fire hydrants

**Public Fire Service** – This classification includes charges for public fire hydrants billed to municipalities in our service area.

**User Charges – Municipal** - The City is party to Municipal Sewer Service Agreements under which the Sewer Utility System provides sewer services to seven municipalities or municipal authorities: the Borough of Emmaus, Hanover Township, Salisbury Township, South Whitehall Township, Coplay-Whitehall Authority, Existing LCA System, and Lower Macungie Township. Pursuant to these agreements, LCA will act as the agent of the City and will perform all of the contractual obligations of the City under each Municipal Agreement, including the billing and collection of the revenues.

The Suburban division provides sewer service to Lower Macungie Township, Upper Macungie Township, Borough of Emmaus, Borough of Alburtis, and Borough of Macungie through the Western Lehigh Interceptor. Through the Little Lehigh Relief Interceptor, sewer service is provided to Lower Macungie, Upper Macungie, Salisbury and South Whitehall Townships and the Boroughs of Alburtis and Macungie.

**User Charges - Residential & Commercial** – This classification includes revenue from sewer service to residential and commercial customers in the Suburban and City Division.

**User Charges – Hauler** – This classification includes revenues from haulers based on strength and volume of waste brought to the wastewater treatment plants.

**Hauler Fees** – This classification includes revenue from annual permit fees.

**Industrial Charges** – This classification includes revenue from industrial strength surcharges to the Suburban Division Pretreatment Plant.

**Industrial Pretreatment Revenues** - This classification includes charges for the operation of the EPA approved Pretreatment Program, as described in 40 CFR 403.

**Wastewater Analysis Reimbursement** – This classification includes reimbursements for lab testing costs.

**Leachate Program Revenues** - This classification includes charges for the processing and treatment of hauled leachate to the Allentown WWTP.

# **Lehigh County Authority**

## **2021 Budget and Comparative Prior Period Data**

### **Definitions and Explanations of Accounts**

**Other Income** – This classification includes reimbursement of Lehigh County Authority expenses by other entities.

**Other Water Sales** – This classification includes revenues from water sold to Municipal Signatories and for bulk water drawn from hydrants.

**Provision for Doubtful Debts** - The provision for doubtful debts is the estimated amount of bad debt that will arise from accounts receivable that have been issued but not yet collected.

**Rental Income** – This classification includes the annual reimbursement from the various funds for a portion of the Authority Operations Center costs and expansion.

**Miscellaneous** – This classification includes revenue from other miscellaneous categories not part of other revenue classifications.

#### **CONNECTION & SYSTEM CHARGES:**

**Supply/Tapping Fees** – This classification includes charges to new customers which are based on connection size. These revenues offset costs related to construction of storage and supply facilities.

**Capital Cost Recovery** – This classification includes the portion of major capital project costs being reimbursed by customers.

**Distribution Tapping Fees** – This classification includes charges to new customers which are based on connection size. These revenues offset costs related to construction of transmission and distribution facilities. These charges are generally not applicable to customers connecting within a developer-installed distribution system.

**Meter Sales** – This classification includes charges to new customers for initial meter and backflow prevention device costs and installation.

**Inspection & Review Fees** – This classification includes the deposits made by developers for LCA construction inspection and plan review costs.

**Developer Reimbursement** - This classification includes the reimbursement from developers for LCA inspection and plan review costs.

#### **NON-OPERATING REVENUES:**

**Other Non-Operating Income** - This classification includes revenue from other non-operating miscellaneous categories not part of other revenue classifications.

#### **OPERATING EXPENSES:**

##### **Personnel:**

**Salaries and Wages** - Salary is a consistent payment to an employee based on working a full-time position. Wages are hourly or daily payments for work done during the working day.

**Overtime** - Overtime refers to any hours worked by an employee that exceed their normally scheduled working hours.

**Taxes** – Comprised of Employer portion of FICA, Social Security and Medicare contributions.

# Lehigh County Authority

## 2021 Budget and Comparative Prior Period Data

### Definitions and Explanations of Accounts

**Fringe Benefits** - Comprised of medical coverage, defined benefit pension, long-term and short-term disability, flexible spending and unemployment insurance.

#### Purchase of Services:

**Shared Services - General & Administrative** - Overhead costs, which are not easily assignable to specific funds, are allocated based on a pro rate share of Salary and Wages and include the following types of expenses:

**Postage** - Represents cost to mail correspondence and customer billings.

**Computer Services** - Nominal services for computer services.

**Advertising** - Includes costs for advertising bid and meeting notices.

**Building & Equipment Maintenance** - Represents Operations Center costs, such as site and building maintenance and equipment maintenance.

**Dues & Subscriptions** - Organization membership fees and contributions and periodical subscriptions.

**Travel and Mileage** - Includes reimbursement to employees at prevailing IRS rate for personal vehicle use for business purposes.

**Education and Training** - Budget includes specifically identified training for employees, whether through participation in seminars or classes.

**Workers Compensation** - Workplace injury coverage.

**Property & Liability Insurance** – Insurance premiums for all properties, with the exception of the Wastewater Treatment Plant in Upper Macungie which is charged directly to that fund.

**Legal/Litigation** - Represents costs associated with labor relations, part-time Solicitor and other global legal issues.

**Miscellaneous** - Comprised of banking costs, printing services, contributions, employee activities and other miscellaneous expenses.

**Risk Management** - Includes safety equipment, training and miscellaneous expenses.

**Public Relations** - Represents costs associated with reaching out to stakeholders with educational programs and a host of interactive agendas.

**Human Resources** - Comprised of human resource projects.

**Special Studies** - Includes costs for conducting a customer survey, compensation study, strategic planning, and process improvement.

**Utilities** - This account includes electric costs, natural gas service, telephone and garbage hauling.

**Compliance** - This budget includes permit fees and renewals for the water and wastewater treatment plants

## Lehigh County Authority

### 2021 Budget and Comparative Prior Period Data

### Definitions and Explanations of Accounts

**Contract Operating Svcs** - Budget includes such services as root control program, Farland Development Dump Site, system check support services and Trenchless spot repairs.

**Engineering** - This budget line item is for miscellaneous consultant assistance with reporting to the Pa DEP on RDII removal efforts and unanticipated situations at facilities requiring engineering services.

**Exceptional Strength Analysis** - This account provides for external laboratory analysis of samples containing higher strength concentrations.

**Extraordinary Expenditures** - This budget line maintains the same level of insurance against an extraordinary leak repair and restoration in all systems. It includes items such as well and booster pump replacements, piping re-configurations and other services utilized in various systems.

**Fleet Management Services** - This budget includes maintenance services for vehicles and mobile equipment

**General Analyses** - This account provides for external laboratory analysis of samples to support the biosolids disposal and the residuals disposal programs.

**Industrial Meter Testing** – This budget includes cost to test large commercial meters for accuracy.

**Maintenance Services** - This budget includes expenses required for site and building maintenance, transmission and distribution maintenance services, equipment maintenance and rental, janitorial services, and other miscellaneous maintenance services.

**Miscellaneous Services** - This budget includes property self-insured, Enterprize fleet program lease, traffic control, after hours dispatching service, communication center, PA One Call system, easement brush & tree cleaning, radio repairs, Safety Kleen, Trimble software maintenance, TV truck Win Can, railroad easement fees, miscellaneous services and miscellaneous shipping.

**Rental** - Allocation of expenses related to the Authority Operations Center renovations and expansion are being allocated over 30 years.

**Residuals** - This budget includes residuals disposal costs.

**Water Purchases** - This budget includes the purchase of water from the Northampton Borough Municipal Authority for customers in the North Whitehall Division, the purchase of water from the Borough of Slatington for customers in the Washington Township Division, the purchase of water from the Borough of Emmaus for the LCA Out-of-Borough customers in Lower Macungie, Salisbury and Upper Milford Townships and the purchase of water from the City Division for customers in the Central Lehigh Division.

**System Planning / Capital Management** – This budget includes allocation of certain capital management costs to the operating budgets.

**Treatment and Transportation** - Represents charges to the Upper Milford, Weisenberg Township, and Lowhill Collector Systems for flow and strength based on sample strength or normal strength levels for non-sampled customers. This category also includes costs associated with the Western Lehigh Interceptor, the Little Lehigh Interceptors and Emmaus transportation charges.

**Lehigh County Authority**  
**2021 Budget and Comparative Prior Period Data**  
**Definitions and Explanations of Accounts**

**Materials & Supplies:**

**Purification Chemicals** - The treatment plant chemical budget includes: LOX, sodium hypochlorite, chlorine, polymer, larvicide, potassium permanganate and other chemicals.

**Purification Supplies** - This budget includes reagent sets, injectors and repair parts, analyzer supplies, and miscellaneous parts and supplies.

**Pump Supplies** - This budget includes pump supplies, well supplies and reservoir supplies.

**Misc. Materials & Supplies** - This budget includes SCADA / TELOG supplies, uniform costs, lab supplies, and miscellaneous supplies.

**Fuel & Mileage** – This budget includes the cost of unleaded and diesel fuels.

**Fleet Management Supplies** - This budget provides for mobile equipment supplies and lubricating oils.

**Equipment** - Funding to replace / update equipment used to maintain the distribution and collection systems. This budget includes line locators/metal and leak detector equipment, permaloggers, magnetic locators, curb/valve keys chemical pumps, valve replacement, sump pumps, prominent Cl2 analyzers, well depth probes, VFD purchase, dehumidifiers, booster pumps, TELOG equipment, pipe saws, trash pumps, hypo tanks, reservoir #5 mixer, submersible level transmitters, miscellaneous lab equipment, and miscellaneous tools & other minor equipment.

**Leased Equipment** – This budget includes costs to lease mobile and other equipment.

**Distribution & Transmission Supplies** - This item includes repair clamps, fittings, and pipes, “No-Lead” brass and copper, crushed stone and blacktop, valve and curb boxes, miscellaneous supplies, and hydrant supplies.

**Collection System Supplies** - This budget includes degreaser, inspection dye & deodorizer, concrete, manhole frames and covers, risers rings, ferncos & couplings / wrapid seal, SDR Pipe, hose lines paving material, salt, and topsoil, crushed clean stone, lubricating oils & grease, misc. supplies/gaskets/seals, and maintenance & construction materials.

**Depreciation and Amortization** - This expense is calculated by the straight-line method using standard depreciation periods. Annual amortization over the life of the financing is included.

**Other Expenses:**

**Major Maintenance Expenses** – Includes the City Capex charged to expense.

**Other Miscellaneous** – This expense includes financing costs related to new debt and annual fees from the Trustees overseeing the various bond series, cost of goods sold, and allocation of GIS capital costs to wastewater operating funds.

**NON-OPERATING INCOME (EXPENSE):**

**Investment Earnings** – Interest earned on Authority investments and deposit accounts.

**Interest Expense** – Interest paid on Authority bonds and Pennvest loans.

**Capital Contributed** – This includes infrastructure contributed by developers .



**LEHIGH COUNTY AUTHORITY**

1053 SPRUCE ROAD, PO BOX 3348, ALLENTOWN, PA 18106  
Phone: (610-398-2503); FAX (610-351-8363)

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**MEMORANDUM**

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**Date Presented:** October 19, 2020  
**To:** Lehigh County Authority Board of Directors  
**From:** Edward Klein, Chief Financial Officer  
**Subject:** 2021 Minimum Municipal Obligation (MMO) for the Lehigh County Authority Pension Plan (39-448-6N)

Act 205 of 1984, as amended, governs the funding requirements for all municipal pension plans. The law requires the Chief Administrative Officer of each pension plan to inform the governing board of the municipality of the plan's expected financial obligation for the coming year. This must be done by the last business day in September.

The calculation of the 2020 MMO required an estimate of the 2020 W-2 wages of the employees covered by the plan. I have indicated on the attached worksheet my best estimate of the same. Questions on the pension cost calculation may be addressed to either myself or the Pennsylvania Municipal Retirement System at (800) 622-7968.

The MMO is the municipality's 2021 bill for this pension plan and must be paid by December 31, 2021. The obligation must be met with general fund monies or with any General State Aid to Municipal Pensions to which we may be entitled to under Act 205.

Edward Klein  
Chief Financial Officer  
[edwardklein@lehighcountyauthority.org](mailto:edwardklein@lehighcountyauthority.org)  
(610) 398-2503, extension 160

Attachment: 2021 MMO Worksheet

**The Minimum Municipal Obligation Worksheet (MMO)**  
**For The**  
**Lehigh County Authority Pension Plan (39-100-8 N)**  
**For Plan Year 2021**

**CHARGES**

Estimated 2020 W-2 Payroll

For Covered Plan Members:

(A) \$10,951,335

PMRS Determined Normal Cost

Expressed as a Decimal:

(B) .1205

RESULT: (A) \* (B) =

(C) \$1,319,636

Administrative Charge (PMRS Determined)

# of Plan Members times \$20:

(D) 4,200.00

Amortization of Unfunded Liability

(PMRS Determined)

(E) 474,640.00

TOTAL CHARGES: (C) + (D) + (E) =

(F) \$1,798,476

**CREDITS**

Repeat Estimated 2020 W-2 Payroll

For Covered Plan Members:

(A) \$10,951,335

Employee Contribution Rate

Expressed as a Decimal:

(G) .01

RESULT: (A) \* (G) =

(H) \$109,513

Amortization of the Actuarial Surplus

(PMRS Determined)

(I) 0.00

TOTAL CREDITS: (H) + (I) =

(J) \$109,513

**MINIMUM MUNICIPAL OBLIGATION**

(Based on 1/1/2019 Actuarial Valuation)

(MMO) \$1,688,963

Equals TOTAL CHARGES Minus

TOTAL CREDITS (F) - (J) = **(Please round numbers to dollars)**

Prepared By: Kathy A. Martin (Name) \_\_\_\_\_ (Signature)  
Human Resources Manager (Title) ( 610 ) 351 - 6322 (Telephone #)

Please complete the above worksheet with your best estimates and return a copy to the Pennsylvania Municipal Retirement System by October 5. The official copy must be shared with the plan's governing board by the last business day in September.

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## MEMORANDUM

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**Date:** October 16, 2020

**To:** Lehigh County Authority Board  
**From:** John Parsons, Chief Operating Office  
**Subject:** Allentown Water Distribution System – 36” Transmission Main Condition Assessment

**MOTIONS / APPROVALS REQUESTED:**

| No. | Item  | Amount       |
|-----|---|--------------|
| 1   | Professional Services Authorization – Gannett Fleming, Inc. | \$202,250.00 |

**PROJECT OVERVIEW:**

The Allentown Water Distribution System includes a 36” Ductile Iron (DI) transmission main that runs north along 17<sup>th</sup> Street and eventually feeds the Huckleberry Ridge Reservoir. This relatively young pipe, which was constructed in 1983, has had two (2) major main breaks recently. Upon excavation and repair, it was discovered that the piping at both breaks had very significant external corrosion. This was considered very abnormal and especially for a line that is only 37 years old.

Gannett Fleming, Inc. has been the consultant that LCA has used for our water distribution system projects for many years. Gannett Fleming approached several contractors about the project, with the most effective and cost-efficient proposal being that of Pure Technologies, which is a part of Xylem, Inc. Gannett Fleming will act as the Project Manager and subcontract the field investigations to Pure Technologies.

Pure Technologies will perform a Robotic Enhanced Electromagnetic Assessment of approximately 5,800’ of 36” DI that runs from 17<sup>th</sup> Street/Union Street to 22<sup>nd</sup> Street/Chew Street. The test area will include the areas of both recent breaks.



Cost Proposals for the Project include the following:

Pure Technologies

|  |             |
|--|-------------|
| Project Planning and Mobilization                    | \$50,000.00 |
| Robotic Electromagnetic Inspection                   | \$32,000.00 |
| Electromagnetic Analysis                             | \$46,750.00 |
| Draft Condition Assessment and Structural Evaluation | \$24,000.00 |
| Final Report   | \$16,000.00 |

|          |              |
|----------|--------------|
| Subtotal | \$168,750.00 |
|----------|--------------|

Gannett Fleming, Inc.

Coordinate proposal and subcontractor agreement  
Participate in pre-inspection project coordination  
Attend on-site field investigations  
Review and comment on all Pure Technologies Reports  
Attend meeting to discuss final comments  
Evaluate and recommend repair/replacement options

|                              |             |
|------------------------------|-------------|
| Subtotal for (200) man-hours | \$33,500.00 |
|------------------------------|-------------|

|                    |              |
|--------------------|--------------|
| Total Project Cost | \$202,250.00 |
|--------------------|--------------|

Based on the assessment and evaluations, it will be determined what the next step(s) are for this pipe as far as remediation is concerned. After (2) major breaks, it is imperative that we consider potential problems for the entire reach before any more damage occurs.

**TIMING**

Pure Technologies is currently scheduled to begin work shortly after Thanksgiving, 2020. The duration of the project should only be a few days and no matter what, will be finished by the end of 2020.

## **FUNDING**

Funds to pay for this project are currently available through a combination of remaining capital money and Operational Budget. The funding in the Water Distribution Operations Budget was specifically set aside for pipe assessment during 2020.



**Lehigh County Authority**

1053 Spruce Street \* P.O. Box 3348 \* Allentown, PA 18106-0348  
(610)398-2503 \* FAX (610)398-8413 \* Email: service@lehighcountyauthority.org

## PROFESSIONAL SERVICES AUTHORIZATION

**Professional:** GANNETT FLEMING INC.  
PO Box 67100  
Harrisburg, PA 17106-7100

**Date:** October 15, 2020

**Requested By:** John Parsons

### Approvals

**Department Head:** \_\_\_\_\_

**Chief Executive**

**Officer:** \_\_\_\_\_

### Allentown Transmission Main Condition Assessment

Gannett Fleming, Inc, along with their subcontractor, Xylem, Inc, will provide a condition assessment on ~5800' of 36" transmission main that was installed in 1983. The study area is where there were two major breaks recently. The condition assessment aims to determine if there is any systematic problem with the relatively new pipe.

| Professional Services  |
|--|
| 1. Assess 5800' of 36" DI transmission main                  |
| 2. Subcontract all field work through Xylem, Inc.            |
| 3. Review and comment on all reports                         |
| 4. Provide technical assistance during all field inspections |
| 5. Evaluate and recommend repair/replacement options         |

Please reference the cover Memo for additional information.

### Design Phase:

**Cost Estimate (not to be exceeded without further authorization):** \$202,250

**Time Table and Completion Deadline:** As required to meet various critical deadlines as set forth in the proposal.

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(For Authority Use Only)

**Authorization Completion:**

**Approval:** \_\_\_\_\_ **Actual Cost:** \_\_\_\_\_ **Date:** \_\_\_\_\_



**GANNETT FLEMING, INC.**  
P.O. Box 67100  
Harrisburg, PA 17106-7100

Location:  
207 Senate Avenue  
Camp Hill, PA 17011

**Office: (717) 763-7211**  
Fax: (717) 763-1140  
[www.gannettfleming.com](http://www.gannettfleming.com)

October 2, 2020

Mr. John Parsons, Chief Operations Officer  
Lehigh County Authority  
1300 Martin Luther King Jr. Drive  
Allentown, PA 18102

**Re: Condition Assessment  
Allentown Division 30-inch and 36-inch Transmission Mains  
Engineering Services Proposal**

Dear John:

As requested, we are providing this Engineering Services Proposal for condition assessment of 30-inch and 36-inch transmission mains in the Lehigh County Authority's (LCA) Allentown Division System. The assessment involves approximately 5,800 feet of ductile iron main installed in 1983 between the butterfly valve on 17<sup>th</sup> Street near the intersection with Union Street and the butterfly valve at the intersection of 22<sup>nd</sup> Street and Chew. This area of main has experienced two (2) recent failures including a notable break in May of this year. Information gathered by LCA during and following these events indicate that external corrosion was the likely cause. There is thus concern that the additional failures may occur in the section of pipe. Due to the size of the main and location, failures create significant system disturbance, impact to City residents, and result in notable costs. As a result, a robotic enhanced electromagnetic assessment of the main to be completed by Xylem d/b/a Pure Technologies U.S. Inc. (Pure Technologies) is proposed to assess the existing condition of the main. The results of the evaluation will then be used to optimize investments in addressing the main by identify and prioritizing necessary repairs and replacements to proactively minimize risk for future failures.

Gannett Fleming will sub-contract the inspection work to Pure Technologies to complete this assessment. Pure Technologies is an industry-leader in in-pipe condition assessment of water mains. Pure Technologies' proposal, which has been coordinated with LCA, is provided as an Attachment and serves as the primary scope of services for this assignment. In addition to the work to be performed by Pure Technologies, Gannett Fleming will complete the following scope of services for LCA:

- Coordinate proposal and subcontractor agreement with Pure Technologies.
- Participate in pre-inspection planning meeting with LCA and Pure Technologies.
- Attend the on-site field inspection.
- Review and comment on Pure Technologies draft structural and assessment reports.
- Attend meeting to discuss review comments with Pure Technologies and LCA.
- Review and comment on final structural and assessment reports.
- Evaluate and recommend repair/replacement options.

As noted in the attached Pure Technologies proposal, LCA will be responsible for the following:

- Remove butterfly valve at 17<sup>th</sup> Street and Chew Street and replace with 36x36x24-inch tee.
- Remove butterfly valve at 22<sup>nd</sup> Street and Chew Street and replace with a 30-inch gate valve.
- Work with Gannett Fleming to provide information about the pipeline to Pure Technologies including, but not limited to, plan and profile drawings, lay sheets, shop drawings, manufacturing details, and details of access structures, air valves, blow-offs, and main line valves – if available.
- Obtain any required legal right-of-entry on the property at no cost to Pure Technologies or Gannett Fleming.
- Provide support personnel during the inspection for locating the access man ways, traffic control, and other support as necessary.
- Excavate, de-water, shore up, and/or provide scaffolding of job area and other civil activity as necessary in compliance with OSHA and local standards and regulations.
- Prepare and/or modify existing pipeline fittings and structures as indicated in the Pure Technologies proposal to accommodate inspection.
- Provide and maintain safe and reasonable access to all insertion sites throughout the inspection and obtain permits, as required.
- Render confined space areas safe for the services, including locking and tagging pumps, valves and motors; de-watering areas to permit movement of persons and equipment; ventilation of de-watered pipeline including opening of access manholes; de-pressurization of pipe sections to create static pressure buffer zones immediately adjacent to inspection scope. Pure Technologies will provide confined space entry and ventilation equipment to support the inspection.

### **Proposed Cost and Schedule**

Pure Technologies proposes to complete their condition assessment and provide an assessment report and structural evaluation of the main for a cost of \$168,750 as noted in the attachment. Gannett Fleming estimates our cost to complete the scope of services described above to be \$33,500 based on an estimate of approximately 200 man-hours. Thus, the total proposed effort to complete the condition assessment is \$202,250. Services will be completed in accordance with the attached standard terms and conditions, which are in place for ongoing work between Gannett Fleming and LCA. Gannett Fleming's effort will be billed on a cost-plus basis. Pure Technologies effort will be billed as direct expenses. Gannett Fleming will not exceed the estimated cost of \$202,750 without prior authorization from LCA. Pure Technologies tentatively plans to complete the inspection the week of Nov 30.

Mr. John Parsons  
Lehigh County Authority

-3-

October 2, 2020

We look forward to the opportunity to continue to work jointly with LCA and build upon an already successful relationship. If you have any questions on our proposal or require additional information, please contact me at 717-649-3662 or David Marks at 717-886-5391.

Sincerely,

GANNETT FLEMING, INC.  
Environmental Resources Division



Michael T. Brown, P.E.  
Vice President

Cc: Jason Gruber, LCA  
Dave Marks, Gannett Fleming

**Attachment – Pure Technologies Proposal**

September 17, 2020

Mr. David Marks  
Gannett Fleming, Inc.  
207 Senate Avenue  
Camp Hill, PA 17011

**Subject: Lehigh County Authority  
30 & 36-Inch Ductile Iron Transmission Main Condition Assessment**

Dear Mr. Marks:

Xylem Inc., d/b/a Pure Technologies U.S. Inc. (Pure Technologies) is pleased to offer our services to Gannett Fleming, Inc. for the Robotic Enhanced Electromagnetic Assessment of the 30 and 36-inch Ductile Iron Transmission Main located in Allentown, PA.

Gannett Fleming, Inc. is working with the Lehigh County Authority to assess the condition of the transmission main following a recent failure. The scope of the project will include approximately 5,800 feet of pipe between the butterfly valve on 17<sup>th</sup> Street near the intersection with Union Street (Station 17+25) and the Butterfly Valve at 22<sup>nd</sup> Street and Chew Street (Station 75+23). It is anticipated that the butterfly valve at 17<sup>th</sup> Street and Chew Street (Station 43+72) will be removed and replaced with a 36 x 36 x 24-inch Tee to facilitate the inspection. The inspection equipment will be launched from this location and travel in both the up stream and down stream directions to the limits of the inspection mentioned above. Below is an aerial image of the inspection limits.





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## 1. Proposed Technology Services

Corrosion is the primary cause of failure in metallic pipelines. Because the only structural component is the pipe wall itself, any loss in cross-section area due to corrosion has an immediate impact on the overall strength of the pipe. Electromagnetics can be used to assess the condition of cylinder of the pipe and identify localized areas of wall loss. Structural engineering help to understand the structural capacity of the pipe under the current loading conditions. With this baseline and more detailed analysis, the significance of defects identified is understood and the data collected is made actionable.

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## 2. PureRobotics® - Robotic Inspection

PureRobotics is a long range remotely operated inspection platform configured to deliver PureEM™ technology. The inspection equipment includes a tethered robotic vehicle of modular design allowing numerous configuration options for inspection of metallic pipe applications. The depth-rated tool can be operated in depressurized pipes as a single or multi-stage vehicle to handle a variety of different deployment scenarios. The vehicle traverses the pipe using independently operable tracks to offer inspection deployments greater than 1 mile. A trained operator navigates interactively with inertial sensors and a high definition pan-tilt-zoom camera equipped with high-intensity LEDs for visual inspection. Simultaneously, a trained PureEM specialist monitors enhanced electromagnetic data live and can direct a closer look at visual anomalies that may correlate. The HD CCTV and electromagnetic data are recorded for detailed post analysis.



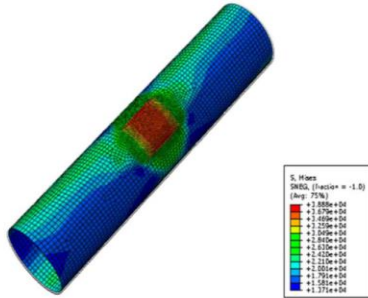
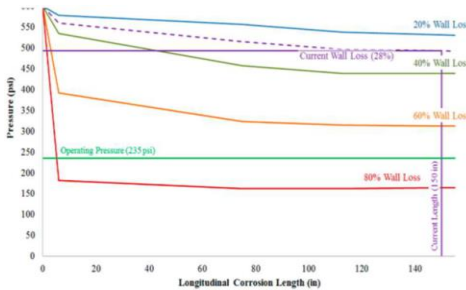
PureEM™ can be configured to identify localized areas of wall loss in metallic pipes. The tool creates an electromagnetic field that interacts with the pipe wall as it moves through the pipeline. Where wall loss exists, the electromagnetic field is changed. After the inspection is complete, the data is downloaded and analyzed. Analysts can identify areas of wall loss and locate them both circumferentially and longitudinally on the pipe.

The tool's ability to collect quality data is dependent on buildup in the pipeline such as tuberculation, which can cause mechanical vibration of the sensors or they may drag introducing noise into the data. Quantification of electromagnetic results depend on a number of variables including; accuracy of pipeline specifications, calibration data, repairs (cylinder or welds), presence of nearby electromagnetic fields, and the number and complexity of corrosion regions. Location of the damaged pipe section rely on the accuracy of correlation between the collected data and the pipeline, which relies on the accuracy and completeness of pipeline drawings.

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## 3. Structural Evaluation

Pure Technologies will utilize the DIP AWWA Standard as a basis for evaluating the design of the force main as it was specified and installed.



- By using the equations presented in the standards, the minimum required wall thickness for current loading conditions is calculated over the length of the pipeline. With only the inputs of overburden, internal pressure, and pipe material, we can understand if the pipe that was installed meets or exceeds the standards (was the pipe over or under designed). This is a first and conservative step to evaluating the significance of any defects.

- After the robotic inspection, The Lehigh County Authority (LCA) and City of Allentown Division will select one location for advanced structural evaluation in order to assess the ability of the most distressed ductile iron pipe to resist internal pressures and external loads. The structural evaluation will integrate the AWWA design check, transient pressure results, and PureEM wall damage estimates to develop a three-dimensional, nonlinear finite element analysis of corrosion defects of high concern. The results of the structural evaluations will be documented in the Condition Assessment Report.

## PROPOSED FEE AND PAYMENT SCHEDULE

**Table 1 - Project Fee**

| Item                       | Description  | Total Price   |
|----------------------------|--|---------------|
| 1                          | Project Planning & Mobilization<br>(Invoiced Upon Delivery of the Planning Document)   | \$ 50,000.00  |
| 2A                         | Robotic Electromagnetic Inspection<br>(Invoiced Upon Completion of the Robotic Inspection)                                     | \$ 32,000.00  |
| 2B                         | Electromagnetic Analysis<br>(Invoiced Upon Completion of the Electromagnetic Report)   | \$ 46,750.00  |
| 3                          | Draft Condition Assessment Report & Structural Evaluation<br>(Invoiced Upon Delivery of the Draft Condition Assessment Report) | \$ 24,000.00  |
| 4                          | Final Condition Assessment Report & Structural Evaluation<br>(Invoiced Upon Delivery of the Final Condition Assessment Report) | \$ 16,000.00  |
| Not-to-Exceed Project Cost |  | \$ 168,750.00 |

### Notes:

1. Standby charges: For standby time of the on-site inspection team once the field team mobilizes to the site. This item will be invoiced upon the completion of the field work. Additional cost \$16,000.00/day.

## PROJECT EXECUTION AND LOCAL ASSISTANCE

During the inspection planning process, the following information will be requested of Gannett Fleming and Lehigh County Authority for the preparation and execution of the inspections.

- Provide information about the pipeline to Pure Technologies including, but not limited to, plan and profile drawings, lay sheets, shop drawings, manufacturing details, and details of access structures, air valves, blow-offs, and main line valves – if available.
- Obtain any required legal right-of-entry on the property at no cost to Pure Technologies.
- Provide support personnel during the inspection for locating the access man ways, traffic control, and other support as necessary.
- Excavate, de-water, shore up, and/or provide scaffolding of job area and other civil activity as necessary in compliance with OSHA and local standards and regulations.
- Prepare and/or modify existing pipeline fittings and structures as indicated by Pure Technologies to accommodate inspection.
- Provide and maintain safe and reasonable access to all insertion sites throughout the inspection and obtain public works and/or police permits, as required.
- Render confined space areas safe for the services, including locking and tagging pumps, valves and motors; de-watering areas to permit movement of persons and equipment; ventilation of de-watered pipeline including opening of access manholes; de-pressurization of pipe sections to create static pressure buffer zones immediately adjacent to inspection scope. Pure Technologies will provide confined space entry and ventilation equipment to support the inspection.

Pure Technologies is excited by the opportunity to perform the proposed scope of work. We are committed to providing you with a successful project. If you have any questions or comments, please do not hesitate to contact me.

Best regards,

A handwritten signature in blue ink, reading "David G. Smith".

David G. Smith P.E.  
Business Development Manager  
443-610-5467

# RESOLUTION NO. 10-2020-1

(Duly adopted 26 October 2020)

*A RESOLUTION OF LEHIGH COUNTY AUTHORITY APPROVING THE SUBMISSION OF A FINANCIAL ASSISTANCE APPLICATION TO THE PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY (PENNVEST) FOR FUNDING IN THE AMOUNT OF \$2,000,000.00 FOR THE REPLACEMENT AND ADDITION OF HIGH SERVICE PUMPING SYSTEM VARIABLE FREQUENCY DRIVES IN THE AUTHORITY'S ALLENTOWN DIVISION WATER SYSTEM, AND PROVIDING FOR OTHER MISCELLANEOUS MATTERS.*

WHEREAS, the Lehigh County Authority (the "Authority") is a body corporate and politic organized by the Board of County Commissioners of the County of Lehigh, Pennsylvania under the provisions of the Pennsylvania Municipality Authorities Act, 53 Pa. C.S. §5601 *et seq.*, as amended (the "Act"); and

WHEREAS, the powers of the Authority are exercised by its Board of Directors, who have full authority to manage the properties and business of the Authority, *inter alia*; and

WHEREAS, the City of Allentown, Pennsylvania (the "City") owns the Allentown Sewer Utility System and the Allentown Water Utility System (the "System"); and

WHEREAS, pursuant to the terms and conditions of the Allentown Water and Sewer Utility System Concession and Lease Agreement, dated initially as of May 1, 2013, as amended, supplemented and restated from time to time (collectively, the "Concession Agreement"), by and between the City and the Authority, the City leased to the Authority, and the Authority leased from the City, the System, upon the terms and conditions set forth therein; and

WHEREAS, the Authority Board desires to undertake a project (the "Project") in the Allentown Water Utility System consisting of the replacement and addition of High Service Pumping System variable frequency drives; and

WHEREAS, the Authority Board desires to apply to the Pennsylvania Infrastructure Investment Authority (PENNVEST) for financial assistance in paying the Project's costs, which are estimated to be at least \$2,000,000.00.

NOW THEREFORE, be it resolved by the Board of this Authority, as follows:

Section 1. The Authority shall be, and is hereby, authorized to submit a Financial Assistance Application (the "Application") to the Pennsylvania Infrastructure Investment Authority (PENNVEST), substantially in the form presented at this meeting for the purpose of financing/partially financing the construction, rehabilitation and/or extension of the Authority's Allentown Water Utility System, including the Project.

Section 2. The Chair, Vice Chair of the Board, or the Chief Executive Officer or Chief Financial Officer of the Authority (the "Authority Officials") are hereby authorized, collectively and

individually, to execute all certifications and documentation required in connection with the Application. Further, any of the Authority Officials, or the Board Secretary or Assistant Secretary, Solicitor of the Authority, or Human Resources Manager of the Authority (the "Attesting Officials"), are authorized, collectively and individually, to attest to or witness the execution of such documentation on behalf of the Authority whenever such is necessary.

Section 3. The Authority Officials and Attesting Officials are authorized to take such further action as may be necessary or convenient to effectuate the provisions of this Resolution.

Section 4. All Resolutions, or parts of Resolutions, inconsistent with this Resolution are hereby repealed insofar, but only, insofar, as the same are inconsistent herewith.

Section 5. If any section, subsection, sentence, clause or phrase of this Resolution is, for any reason, held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution.

On motion of \_\_\_\_\_, seconded by \_\_\_\_\_,  
this Resolution was adopted the 26<sup>th</sup> day of October 2020.

Tally of Votes:            Yeas \_\_\_\_\_    Nays \_\_\_\_\_



I, Michael A. Gaul, Esquire, of King, Spry, Herman Freund & Faul, LLC, Solicitor of Lehigh County Authority, do hereby certify that the foregoing is a true, correct and complete copy of a resolution which was duly adopted by the Authority at a public meeting of the Authority held on 26 October 2020, after notice thereof had been duly given as required by law, at which meeting a quorum was present and voting and which resolution No. 10-2020-1 is now in full force and effect on the date of this certification.

|   |               |
|---|---------------|
| _____<br>Michael A. Gaul, Esquire<br>King, Spry, Herman Freund & Faul, LLC<br>Lehigh County Authority Solicitor | _____<br>Date |
|---|---------------|

Attest:

|  |               |
|--|---------------|
| _____<br>Lisa A. Miller<br>Executive Administrative Support Specialist | _____<br>Date |
|--|---------------|

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

## PENNVEST APPLICATION FORMS

| DESCRIPTION   |                                      |                                   |
|---|--------------------------------------|-----------------------------------|
| <b>Project Name:</b> Lehigh County Authority - High Lift VFD Replacement  |                                      |                                   |
| <b>Project ID:</b><br>39006061910-CW  | <b>Type:</b><br>Drinking Water       | <b>Status:</b><br>Data Collection |
| <b>Sub Type:</b><br>N/A   | <b>Stage:</b><br>Construction        |                                   |
| <b>Filing Date:</b><br>10/11/2019   | <b>Population Served:</b><br>118000  |                                   |
| <b>Amount Requested:</b><br>\$2,000,000.00  | <b>Total Cost:</b><br>\$2,000,000.00 |                                   |
| <b>What is the estimated number of construction-related jobs created through this project?</b>  |                                      | 10                                |
| <b>What is the number of these jobs that expect to employ Pennsylvania Residents?</b>   |                                      | 10                                |
| <b>Service Area:</b><br>City of Allentown   |                                      |                                   |
| <b>Problems:</b><br>Description: Existing VFDs controlling HSP#1 & #2 are over 20 years old and at the end of service life. HSP #3 does not have a VFD and soft starter & motor are to be replaced with VFD & inverter duty motor. Project will reduce risk of failure of this critical equipment & insure uninterrupted supply of water to the system.                             |                                      |                                   |
| <b>Description:</b><br>Description: Existing high service pumps are rated at 10,500 gpm at 290' tdh, and powered by 1000hp motors. VFDs for pumps nos. 1 & 2 are to be replaced in kind. Soft starter and constant speed motor for pump no. 3 will be replaced by a VFD and 1000hp inverter duty motor. The design capacity of the high service pump system is to remain unchanged. |                                      |                                   |
| Other(s) Funding Sources:   |                                      |                                   |
| Source Type   | Source Name                          | Source Amount                     |

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

|  |                                |
|--|--------------------------------|
| <b>System:</b>   |                                |
| <b>Does the Applicant own the System?</b>  | NO                             |
| If 'No' explain: City of Allentown owns the system, LCA operates via a Lease Agreement   |                                |
| <b>Does the Applicant operate the System?</b>  | YES                            |
| <b>Does the Applicant Maintain the System?</b>   | YES                            |
| <b>Does the Applicant Construct the System?</b>  | YES                            |
| <b>Does this project include costs associated with the purchase of system capacity from another entity?</b>  | NO                             |
| <b>Does this project include costs associated with the construction of capacity in your system for use and/or purchase by other entity (ies)?</b>  | NO                             |
| <b>Is, or does the Applicant intend to be, a party to any inter-municipal agreements which affect this project or your system?</b>   | YES                            |
| If yes, you will be required to upload copies of all inter-municipal agreements to the Support Documents section when you complete this portion of the application.                                    |                                |
| <b>Has the Applicant issued debt or borrowed money, or does the Applicant intend to issue debt or borrow money, under a trust indenture?</b>   | YES                            |
| If yes, you will be required to upload copies of the original trust indenture and all supplemental trust indenture to the Support Documents section when you complete this portion of the application. |                                |
| <b>Do you charge residential or commercial user fees?</b>  | YES                            |
| <b>NPDES Number:</b>   | <b>PWSID Number:</b><br>177443 |
| <b>Do you have a current Bond Rating?</b>  | YES                            |
| <b>Rating Agency</b>   | <b>Rating</b>                  |
|  |                                |
|  |                                |
|  |                                |

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

| <b>Contacts:</b>   |                          |  |
|--|--------------------------|--|
| <b>Lehigh County Authority</b>   |                          | Applicant  |
| <b>Address:</b><br>P.O.Box 3348<br>Allentown, PA 18106-348                       |                          | <b>Phone:</b> 6103982503<br><b>Fax:</b> 6103988413<br><b>Email:</b>  |
| <b>SAP Vendor #:</b><br>145026   | <b>DUNS:</b><br>95361978 | <b>Federal ID/FIN:</b><br>251215330  |
| <b>Gross, Liesel</b>   |                          | Applicant  |
| <b>Address:</b><br>Lehigh County Authority<br>PO Box 3348<br>Allentown, PA 18106 |                          | <b>Phone:</b> 6103982503<br><b>Phone Ext.:</b><br><b>Fax:</b><br><b>Email:</b> lieselgross@lehighcountyauthority.org |
| <b>VOLK, CHARLES</b>   |                          | Applicant  |
| <b>Address:</b><br><br>, PA 0  |                          | <b>Phone:</b> 6103497553<br><b>Phone Ext.:</b><br><b>Fax:</b><br><b>Email:</b> charlesvolk@lehighcountyauthority.org |
| <b>Klein, Edward</b>   |                          | Applicant  |
| <b>Address:</b><br><br>, PA 0  |                          | <b>Phone:</b> 6103516316<br><b>Phone Ext.:</b><br><b>Fax:</b><br><b>Email:</b> edwardklein@lehighcountyauthority.org |
| <b>Wieller, David</b>  |                          | Engineer   |
| <b>Address:</b><br><br>, PA 0  |                          | <b>Phone:</b> 4848210470<br><b>Phone Ext.:</b> 2116<br><b>Fax:</b><br><b>Email:</b> dwieller@borton-lawson.com       |
| <b>gaul, michael</b>   |                          | Legal  |
| <b>Address:</b><br>One West Broad Street<br>bethlehem, PA 18020                  |                          | <b>Phone:</b><br><b>Phone Ext.:</b> 208<br><b>Fax:</b> 6103320301<br><b>Email:</b> mag@kingspry.com                  |



## PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

### PROJECT SITE(S)

|  |  |
|--|--|
| <b>Allentown Water Filtration Plant</b>                                | Primary Site   |
| <b>Address:</b><br>1300 Martin Luther Jr. Drive<br>Allentown, PA 18102 | <b>Latitude:</b> 40.5934327<br><b>Longitude:</b> -75.4818283 |

### Counties and Municipalities

|                        |                         |                                       |
|------------------------|-------------------------|---------------------------------------|
| <b>Primary</b><br>True | <b>County</b><br>Lehigh | <b>Municipality</b><br>Allentown City |
| <b>System</b><br>True  | <b>Project</b><br>True  | <b>Households served</b><br>118000    |

### Legislative Districts

|                                |                                    |                                     |
|--------------------------------|------------------------------------|-------------------------------------|
| <b>Congress</b><br>Susan, Wild | <b>House</b><br>Peter G., Schweyer | <b>Senate</b><br>Patrick M., Browne |
|--------------------------------|------------------------------------|-------------------------------------|

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

## PROJECT PLAN

Indicate the important dates for Pre-Construction, Construction and Major Milestones.

| Pre Construction Planning Dates |             |
|---------------------------------|-------------|
| Planning Consultation           | May 22 2019 |
| Planning Completed              | Jul 31 2019 |
| Design Completed                | Oct 15 2020 |
| Obtained all needed permits     | Oct 15 2020 |
| Bid Date                        | Feb 19 2021 |
| Bid Opening                     | Mar 16 2021 |
| Awarded Contract                | Apr 12 2021 |
| Pre-Construction Conference     | May 14 2021 |

| Letter of No-Prejudice  |  |
|---|--|
| Letter of No-Prejudice (LONP) issued (if required). Date is entered by PENNVEST Project Management Office upon request and issue of letter. |  |

| Construction Dates |             |
|--------------------|-------------|
| Start Construction | May 14 2021 |
| End Construction   | May 13 2022 |

| Award Design Dates |             |
|--------------------|-------------|
| Begin Design       | Aug 2 2019  |
| End Design         | Oct 15 2020 |

| Project Plan Major Milestones |  |
|-------------------------------|--|
|-------------------------------|--|

## NOTES:

Additional PennVEST planning consultation meeting was held on 9/17/20 at LCA.

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

## MEASURES

### Land Use:

|  |     |
|--|-----|
| Has the area served by this project been covered by an adopted municipal comprehensive plan?   | YES |
| Is this project located in an area where there is an adopted county comprehensive plan?  | YES |
| Is there an adopted multi-municipal or multi-county comprehensive plan for the area(s) covered by this project?                      | NO  |
| Is there an adopted county or municipal zoning ordinance or a joint municipal zoning ordinance for the area covered by this project? | YES |
| Is the proposed project consistent with these comprehensive plans and/or zoning ordinances?  | YES |

### DrinkingWater Breakdown

|                               |                |
|-------------------------------|----------------|
| Planning & Design only        | \$130,689.00   |
| Source Development Amount     | \$0.00         |
| Transmission Amount           | \$0.00         |
| Treatment Amount              | \$0.00         |
| Finished Water Storage Amount | \$0.00         |
| Distribution System Amount    | \$0.00         |
| Pump Stations Amount          | \$1,870,000.00 |
| Meters Amount                 | \$0.00         |
| Safety/Security Amount        | \$0.00         |
| Purchase of Systems Amount    | \$0.00         |
| Restructuring Amount          | \$0.00         |
| Land Acquisition Amount       | \$0.00         |

### DrinkingWater Compliance:

|  |         |
|--|---------|
| Does the project help the facility to bring out of compliance system back into compliance? | NO      |
| Does the project help the facility to maintain current compliance?                         | NO      |
| Does the project help the facility to achieve compliance with upcoming requirements?       | NO      |
| Does the project assist the facility with other non-compliance related activities?         | YES     |
| If yes, enter what percentage of the project meets that criteria:                          | 100.00% |

### DrinkingWater Enhancements:

|   |    |
|---|----|
| Does the project help enhance well capacity? (source development/upgrade) | NO |
| Does the project enhance treatment plant capacity?                        | NO |

## PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

|  |        |
|--|--------|
| Does the project enhance security measures at the drinking water facility? | NO     |
| Does project enhance public safety? (Fire hydrants and related)            | YES    |
| If yes, the impact is:   | DIRECT |

**Notes:**

Project insures long range public water supply and public health are preserved and protected by reducing the risk of failure and extending the service life of critical distribution system supply pumps for uninterrupted water service to the city and suburban customers.

PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

**BENEFITS**

**Narrative:**

Three High Service Pump Station upgrade options were evaluated in the conceptual design report.

Option No. 1: Replace pump nos. 1 & 2 VFDs with two new 2,300v VFDs

Option No. 2: Replace pump nos. 1 & 2 VFDs and replace pump no. 3 rvss (soft starter) with inverter duty motor and new VFD

Option No. 3: Replace all 3 pumps and VFDs with 4,160v pumps and VFDs

**Comparison:**

Option no. 2 was selected based on balancing risk reduction and life cycle cost.

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

## Drinking Water Development:

|                       |     |
|-----------------------|-----|
| Capacity              | gpd |
| Dam                   | NO  |
| Well                  | NO  |
| Water Surface Intake  | NO  |
| Interconnection       | NO  |
| New Source            | NO  |
| Rehab Existing Source | NO  |

## Drinking Water Source Transmission:

|                   |      |
|-------------------|------|
| Total Pipe Length | feet |
| New               | NO   |
| Clean/Reline      | NO   |
| Replace           | NO   |

## Drinking Water Source Treatment:

|                            |     |
|----------------------------|-----|
| Existing Capacity          | gpd |
| Proposed Designed Capacity | gpd |
| New Plant                  | NO  |
| Plant Addition             | NO  |
| Plant Renovations          | NO  |

OTHER:

## Drinking Water Source Finished Water Storage:

|                        |         |
|------------------------|---------|
| Total Pipe Length      | gallons |
| New Tank               | NO      |
| Cover Existing Tank    | NO      |
| Renovate Existing Tank | NO      |

## Drinking Water Source Distribution System:

|                                   |      |
|-----------------------------------|------|
| Total Pipe Length                 | feet |
| Number of Residential Connections |      |
| Number of Commercial Connections  |      |
| New                               | NO   |
| Replace                           | NO   |
| Extension                         | NO   |
| Clean/Reline                      | NO   |

## Drinking Water Source Pump Stations:

|                 |              |
|-----------------|--------------|
| Design Capacity | 30000000 gpd |
|-----------------|--------------|

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

|                   |     |
|-------------------|-----|
| New               | NO  |
| Renovate Existing | YES |

## Drinking Water Source Meters:

|                           |    |
|---------------------------|----|
| Number of Master meters   |    |
| Number of Customer meters |    |
| New Meters                | NO |
| Replace Meters            | NO |

## Drinking Water Source Other:

|                             |    |
|-----------------------------|----|
| Number of New Fire Hydrants |    |
| Plant Access Road           | NO |
| Administration Building     | NO |

## Green Infrastructure Components

|  |     |
|--|-----|
| Does the project result in reduced (minimum 20%) water use?  | NO  |
| If 'Yes' explain:  |     |
| Does the project recycle water?  | NO  |
| If 'Yes' explain:  |     |
| Does the project reduce (minimum 20%) infiltration of water into the sewer pipes being repaired/replaced?  | NO  |
| If 'Yes' explain:  |     |
| Does the project reduce (minimum 20%) leakage from the water pipes being repaired/replaced?  | NO  |
| If 'Yes' explain:  |     |
| Does the project save energy (minimum 20%)?  | YES |
| If 'Yes' explain: New variable frequency drives will allow the pumps to operate more efficiently. Replacement of the soft start constant speed control on one pump will optimize operation of that pump and save electrical costs. |     |
| Does the project infiltrate, evapo-transpire or control stormwater?  | NO  |
| If 'Yes' explain:  |     |
| Does the project implement Ag BMP's, or Low-Impact Development, or wetland restoration or construction, or greenhouse gas reduction, or apply differential uses of water treated to varying levels?                                | NO  |
| If 'Yes' explain:  |     |

## Cost Effectiveness

Describe the alternatives that were considered to solve the problem in the Project Description and the cost of those alternatives.

## PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

### Drinking Water Public Health:

|  |    |
|--|----|
| Will this project eliminate critical or chronic health hazards?  | NO |
| Violation of a primary MCL or maximum containment concentration: | NO |
| Presence of coliform or fecal coliform:                          | NO |
| No water available at the tap:                                   | NO |
| Giarda cysts in the filtered water:                              | NO |

### Drinking Water DEP Compliance

|   |     |
|---|-----|
| Will this project satisfy an order issued by DEP, the Federal Government or the Courts that addresses problems with acute health or safety hazard, potable water treatment and/or storage facilities? | NO  |
| Will this project satisfy a non-compliance consent order and agreement related to a health or safety hazard, potable water treatment and/or storage facilities?                                       | NO  |
| Will this project protect water sources under the supplier's control?   | NO  |
| Provide treatment adequate to assure that public health is protected?   | NO  |
| Provide and effectively operate and maintain public water system facilities?  | NO  |
| Take corrective action necessary to assure safe and potable water is continuously supplied to the user:   | YES |

### Cost Effectiveness

Describe any actions necessary to get the project under construction, when they will be done, and what will be required in order to maintain the facility through its design life.

### Drinking Water Environmental/Social

Explain any existing environmental condition that will be addressed with the project (example: sludge handling facility).

no direct environmental condition

How will this project improve the quality of life for the system customers?

assure adequate supply of safe drinking water

Is this project consistent with local, county and regional land use planning? YES

If 'No' explain:

Is this project consistent with county agricultural preservation efforts? NO

### Drinking Water Adequacy and Efficiency

|  |    |
|--|----|
| Will this project increase the available water?                  | NO |
| Does this project include or promote water system conservation?  | NO |
| Does this project include or promote water system consolidation? | NO |

### Drinking Water Public Safety



## PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

|   |     |
|---|-----|
| Will this project address replacement or major rehabilitation of an unsafe water supply storage tank? | NO  |
| Will this project allow the system to meet fire code - quantity/pressure for fire protection?         | YES |
| Does this project include installation or replacement of fire hydrants?                               | NO  |
| Does this project include work to address safety standards with OSHA?                                 | NO  |
| Will this project address issues related to water source and/or system security?                      | NO  |

### Keystone:

|  |     |
|--|-----|
| Have any of the communities served by this project been designated as distressed under the Municipalities Financial Recovery Act 47 of 1987?                         | NO  |
| Does this project directly serve a Brownfield site as designated by the PA Department of Environmental Protection?   | NO  |
| Does this project serve a City, Borough or Township of the 1st Class?  | YES |
| Have any of the communities served by this project been designated as a Community Action Team [CAT] project by the Department of Community and Economic Development? | NO  |
| municipality: county:  |     |
| Does the Community(ies) where this project is located have a Comprehensive Land Use Plan?  | YES |
| If yes, is this project consistent with that plan? If yes, please upload a copy of correspondence indicating consistency in Supporting Documents.                    | YES |
| Does the County(ies) where this project is located have a Comprehensive Land Use Plan?   | YES |
| If yes, is this project consistent with that plan?   | YES |
| Does the County(ies) where this project is located have an Agricultural Land Preservation Plan?  | YES |
| If yes, is this project consistent with that plan?   | YES |

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

## INCOME AND EXPENSES

| <b>Billing:</b>                             | <b>Per Last Completed Fiscal Year 2019</b> | <b>First Year after Project Completed 2023</b> |
|---|--|--|
| Estimated Population                        | 168244                                     | 170549   |
| Households served by System                 | 63543                                      | 64533  |
| Total EDUs served by system                 | 67297                                      | 68324  |
| Residential EDUs served by system           | 63543                                      | 64533  |
| Average annual Residential bill             | \$279.00                                   | \$393.00                                       |
| Total residential bills levied              | \$14,809,460.00                            | \$21,255,641.00                                |
| Total Residential bills collected           | \$14,692,384.00                            | \$20,830,529.00                                |
| Total Commercial/Industrial bills levied    | \$8,349,552.00                             | \$10,151,488.00                                |
| Total Commercial/Industrial bills collected | \$8,341,900.00                             | \$9,948,459.00                                 |

| <b>Income for Government Entity:</b> | <b>Per Last Completed Fiscal Year 2019</b> | <b>First Year after Project Completed 2023</b> |
|--------------------------------------|--|--|
| Total Bills Collected                | \$23,010,183.00                            | \$30,778,988.00                                |
| Other Charges Collected              | \$0.00                                     | \$0.00   |
| Total Operating Revenues             | \$23,010,183.00                            | \$30,778,988.00                                |
| Non-Operating Revenues               | \$0.00                                     | \$0.00   |
| <b>TOTAL INCOME</b>                  | <b>\$23,010,183.00</b>                     | <b>\$30,778,988.00</b>                         |

Explain other charges, non-operating revenues and identify sources of the above information:

| <b>Operating Expenses :</b>   | <b>Per Last Completed Fiscal Year 2019</b> | <b>First Year after Project Completed 2023</b> |
|-------------------------------|--|--|
| Labor (Salaries and Benefits) |  |  |
| Utilities                     |  |  |
| Rent                          |  |  |
| Materials and Supplies        |  |  |
| Outside Services              |  |  |
| Cost of Goods Sold            |  |  |
| Program Expenses              |  |  |
| Administration Expenses       |  |  |
| Professional Fees             |  |  |
| Depreciation Expense          |  |  |

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

|  |               |               |
|--|---------------|---------------|
| Other Expenses                                   |               |               |
| <b>Net Operating Expense (Less Depreciation)</b> | <b>\$0.00</b> | <b>\$0.00</b> |

| <b>Non-Operating Expenses :</b>   | <b>Per Last Completed Fiscal Year 2019</b> | <b>First Year after Project Completed 2023</b> |
|---|--|--|
| Annual debt service excluding this project                                |  |  |
| Other Non-Operating Expense   |  |  |
| <b>Net Non-Operating Expense</b>  | <b>\$0.00</b>                              | <b>\$0.00</b>                                  |
| <b>Total Expenses</b>   | <b>\$0.00</b>                              | <b>\$0.00</b>                                  |
| Explain any Other Expenses and identify sources of the above information: |  |  |

| <b>Net Cash:</b>     | <b>Per Last Completed Fiscal Year 2019</b> | <b>First Year after Project Completed 2023</b> |
|----------------------|--|--|
| Total Income         | \$23,010,183.00                            | \$30,778,988.00                                |
| Total Cash Expenses  | \$0.00                                     | \$0.00   |
| <b>NET CASH FLOW</b> | <b>\$23,010,183.00</b>                     | <b>\$30,778,988.00</b>                         |

## Notes:

## FINANCIAL

| <b>Source:</b>                               | <b>Amount</b> | <b>Committed</b> |
|--|---------------|------------------|
| System Funds (resources, Owner equity, etc.) | \$0.00        | \$0.00           |
| Connection Fees / Tap Fees / Assessments     | \$0.00        | \$0.00           |
| Grants                                       | \$0.00        | \$0.00           |
| Other  | \$0.00        | \$0.00           |
| Amount Requested from PENNVEST               | \$0.00        | \$0.00           |

| <b>Special Assessments :</b>         | <b>Amount</b> |
|--------------------------------------|---------------|
| Amount of Assement per EDU           | \$0.00        |
| No. of EDUs to be Charged            |               |
| Anticipated Collection Rate          |               |
| Total to be Generated by Assessments |               |

## Explanation of Sources :

If you have chosen not to utilize other available sources of funding for this project, please explain the basis for your decision:

## PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

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Describe any constitutional, statutory, charter, or other limitation on debt that apply to the applicant:

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### Debt Obligations :

| For Governmental entities:            | For non-Governmental entities:         |
|---------------------------------------|--|
| a) First lien on user charge revenues | a) Guarantee of the parent company     |
| b) Guarantee of municipality          | b) Pledge of stock                     |
| c) Municipal taxing power             | c) Mortgage lien on company facilities |

Are there any liens or other encumbrances by existing debt obligations which would prevent PENNVEST from requesting any of the above forms of loan security? NO

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### Closely Held for Profit Entities :

| Owner | Percent |
|-------|---------|
|-------|---------|

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**NOTES:**

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# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

## DEBT

### Notes:

## RATES

### Billing:

Select the appropriate rate structure and billing frequency from the drop down list that is provided. In the space provided, describe any special rate structure or agreement.

|         | Monthly | Quarterly | Other |
|---------|---------|-----------|-------|
| Metered | NO      | NO        | NO    |
| Flat    | NO      | NO        | NO    |
| other   | NO      | NO        | NO    |

### Special Rate Structure or Agreement:

### Revenue:

Indicate the total revenues collected by category as indicated before and after the project.

|             | Before Project | After Project |
|-------------|----------------|---------------|
| Residential |                |               |
| Commercial  |                |               |
| Industrial  |                |               |

### Customers :

Indicate the number of residential households that the system currently serves and the number that you expect to serve once this project is complete. Provide similar information for EDU's (equivalent dwelling units) and population that will be impacted by the project.

|                               | Currently | After First Year |
|-------------------------------|-----------|------------------|
| Residential Households Served |           |                  |
| Number of Additional EDU's    |           |                  |

PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

|                               |  |
|-------------------------------|--|
| Estimated Population Impacted |  |
|-------------------------------|--|

NOTES:

# PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

## BUDGET

### Engineering Costs:

This section is used to provide a breakdown of project engineering costs related to planning. For Waste Water projects these costs should represent expenses that are not related to Act 537 planning.

| Tasks                      |                     |
|----------------------------|---------------------|
| Planning                   | \$0.00              |
| Pre-Design Services        | \$23,100.00         |
| Design                     | \$107,600.00        |
| Bidding                    | \$7,000.00          |
| Construction Services      | \$90,000.00         |
| none                       | \$0.00              |
| <b>Total Engineer Cost</b> | <b>\$227,700.00</b> |

### Construction Items:

This section is used to provide a breakdown of project costs related to construction for Transmission/Interceptor, Mains, Pump Station, Storage, Treatment and Source/Disposal. Use linear feet for length.

|                                  | Units       | Estimated Cost        |
|----------------------------------|-------------|-----------------------|
| Transmission/Interceptor         | 0 linear ft | \$0.00                |
| Mains                            | 0 linear ft | \$0.00                |
| Pump Station                     | 1 stations  | \$1,700,000.00        |
| Storage                          | 0 gallons   | \$0.00                |
| Treatment                        | 0 gallons   | \$0.00                |
| Source/Disposal                  | 0 gallons   | \$0.00                |
| <b>Total Construction Cost :</b> |             | <b>\$1,700,000.00</b> |

### Total Major Phases Costs:

This section is used to provide a breakdown of all project related costs as they relate to pre-design, design and construction components of the project. These figures are typically estimates, based upon consulting services and engineering design specifications.

| Major Phases         |             |             |              |
|----------------------|-------------|-------------|--------------|
| Cost Category        | Pre-Design  | Design      | Construction |
| Administrative Costs | \$3,000.00  | \$15,000.00 | \$10,000.00  |
| Legal Fees           | \$19,176.00 | \$3,000.00  | \$2,500.00   |

## PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

|                                       |                    |                     |                       |
|---------------------------------------|--------------------|---------------------|-----------------------|
| Financial / ...<br>Accounting Charges | \$500.00           | \$1,000.00          | \$5,000.00            |
| Interest during<br>Construction       | \$0.00             | \$0.00              | \$0.00                |
| Engineering,<br>Architecture Fees     | \$23,100.00        | \$107,589.00        | \$90,000.00           |
| Permits                               | \$0.00             | \$0.00              | \$2,000.00            |
| Land                                  | \$0.00             | \$0.00              | \$0.00                |
| Construction                          | \$0.00             | \$0.00              | \$1,600,000.00        |
| Contingency                           | \$0.00             | \$0.00              | \$50,000.00           |
| none                                  | \$0.00             | \$0.00              | \$0.00                |
| <b>Grand Totals</b>                   | <b>\$45,776.00</b> | <b>\$126,589.00</b> | <b>\$1,759,500.00</b> |

### Total Project Costs :

| Cost Category                      | Total Cost            |
|------------------------------------|-----------------------|
| Administrative Costs               | \$28,000.00           |
| Legal Fees                         | \$24,676.00           |
| Financial / ... Accounting Charges | \$6,500.00            |
| Interest during Construction       | \$0.00                |
| Engineering, Architecture Fees     | \$220,689.00          |
| Permits                            | \$2,000.00            |
| Land                               | \$0.00                |
| Construction                       | \$1,600,000.00        |
| Contingency                        | \$50,000.00           |
| none                               | \$0.00                |
| <b>Total Project Cost :</b>        | <b>\$1,931,865.00</b> |

### Additional information or comments :



## PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY

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### IMPACT

#### Industry:

Economic Benefits: Indicate the economic benefits of the project relative to job creation/retention and private investment. Attachments should be clearly identified and forwarded to DCED for review.

#### Notes:



**LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS  
SEPTEMBER 2020**

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUMMARY  
SEPTEMBER 2020

| MONTH                       |           |            |             |              | SEPTEMBER 2020      | YEAR-TO-DATE |             |             |             |             | FULL YEAR   |             |             |              |             |
|-----------------------------|-----------|------------|-------------|--------------|---------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|
| Actual                      | Q3 FC     | Prior Year | FC Var      | PY Var       |                     | Actual       | Q3 FC       | Prior Year  | FC Var      | PY Var      | Q3 FC       | Budget      | Prior Year  | Bud Var      | PY Var      |
| Income Statement            |           |            |             |              |                     |              |             |             |             |             |             |             |             |              |             |
| 134,503                     | 233,396   | 121,945    | (98,893)    | 12,558       | Suburban Water      | 1,146,185    | 1,154,972   | 716,676     | (8,787)     | 429,509     | 1,212,986   | (78,407)    | 2,670,094   | 1,291,393    | (1,457,108) |
| 228,461                     | 191,415   | (38,544)   | 37,046      | 267,005      | Suburban Wastewater | 3,829,794    | 3,730,733   | 513,037     | 99,061      | 3,316,757   | 1,954,282   | (1,269,292) | (473,333)   | 3,223,574    | 2,427,615   |
| (2,428,442)                 | (471,852) | 472,377    | (1,956,590) | (2,900,819)  | City Division       | (4,606,226)  | (2,249,732) | (588,849)   | (2,356,494) | (4,017,377) | (4,486,406) | (4,106,561) | (4,130,921) | (379,845)    | (355,485)   |
| (2,065,478)                 | (47,041)  | 555,778    | (2,018,437) | (2,621,256)  | Total LCA           | 369,753      | 2,635,972   | 640,864     | (2,266,219) | (271,111)   | (1,319,139) | (5,454,260) | (1,934,160) | 4,135,121    | 615,021     |
| Cash Flow Statement         |           |            |             |              |                     |              |             |             |             |             |             |             |             |              |             |
| (126,514)                   | (20,065)  | 4,448,016  | (106,449)   | (4,574,530)  | Suburban Water      | (1,091,829)  | (1,019,252) | 6,478,155   | (72,577)    | (7,569,984) | (2,541,762) | (2,048,282) | 2,681,907   | (493,480)    | (5,223,669) |
| (1,154,205)                 | (182,688) | 2,889,629  | (971,517)   | (4,043,834)  | Suburban Wastewater | (1,633,540)  | 260,027     | 11,772      | (1,893,567) | (1,645,312) | 2,608,733   | 17,484,855  | (1,685,495) | (14,876,122) | 4,294,228   |
| (1,071,577)                 | 908,132   | 1,067,387  | (1,979,709) | (2,138,964)  | City Division       | 1,859,484    | 4,255,761   | (2,396,277) | (2,396,277) | 4,255,761   | 2,484,397   | 3,142,950   | 7,328,430   | (658,553)    | (4,844,033) |
| (2,352,296)                 | 705,379   | 8,405,032  | (3,057,675) | (10,757,328) | Total LCA           | (865,885)    | 3,496,536   | 4,093,650   | (4,362,421) | (4,959,535) | 2,551,368   | 18,579,523  | 8,324,842   | (16,028,155) | (5,773,474) |
| Debt Service Coverage Ratio |           |            |             |              |                     |              |             |             |             |             |             |             |             |              |             |
| 1.62                        | 2.00      | 1.80       | (0.38)      | (0.19)       | Suburban Water      | 1.56         | 1.58        | 1.64        | (0.02)      | (0.08)      | 1.50        | 1.25        | 1.59        | 0.25         | (0.09)      |
| 10.22                       | 9.60      | 5.97       | 0.61        | 4.25         | Suburban Wastewater | 13.43        | 13.19       | 8.07        | 0.24        | 5.36        | 9.24        | 2.56        | 6.34        | 6.68         | 2.90        |
| (0.28)                      | 1.58      | 1.93       | (1.86)      | (2.21)       | City Division       | 1.34         | 1.59        | 1.50        | (0.25)      | (0.16)      | 1.38        | 1.34        | 1.40        | 0.04         | (0.03)      |

LEHIGH COUNTY AUTHORITY  
CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 2020

| MONTH     |             |             |             | SEPTEMBER 2020<br>INCOME STATEMENT                            |  |  |  | YEAR-TO-DATE |             |              |              | Q3 FULL YEAR FORECAST |              |              |              | FULL YEAR BUDGET |              |              |              |
|-----------|-------------|-------------|-------------|---|--|--|--|--------------|-------------|--------------|--------------|-----------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|
| Sub W     | Sub WW      | City        | LCA         |   |  |  |  | Sub W        | Sub WW      | City         | LCA          | Sub W                 | Sub WW       | City         | LCA          | Sub W            | Sub WW       | City         | LCA          |
|           |             |             |             | <b>Operating Revenues</b>                                     |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| 940,254   | 1,524,720   | 2,933,961   | 5,398,935   | User Charges  |  |  |  | 7,986,673    | 12,056,752  | 28,161,079   | 48,204,504   | 10,546,404            | 15,626,824   | 37,393,966   | 63,567,194   | 10,582,010       | 16,446,154   | 38,712,488   | 65,740,652   |
| 183,110   | 162,065     | 111,636     | 456,811     | Connection & System Charges                                   |  |  |  | 666,686      | 3,262,161   | 225,774      | 4,154,621    | 796,545               | 3,402,279    | 1,086,657    | 5,285,480    | 776,500          | 846,282      | 2,959,800    | 4,582,582    |
| 1,123,364 | 1,686,785   | 3,045,597   | 5,855,746   | Total Operating Revenues                                      |  |  |  | 8,653,359    | 15,318,913  | 28,386,853   | 52,359,125   | 11,342,949            | 19,029,103   | 38,480,623   | 68,852,674   | 11,358,510       | 17,292,436   | 41,672,288   | 70,323,234   |
|           |             |             |             | <b>Operating Expenses</b>                                     |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| 417,906   | 240,860     | 1,423,127   | 2,081,893   | Personnel Costs   |  |  |  | 1,689,884    | 807,686     | 7,642,067    | 10,139,637   | 2,383,805             | 1,130,381    | 12,145,543   | 15,659,729   | 2,106,222        | 992,555      | 7,883,195    | 10,981,972   |
| (218,031) | (81,201)    | (667,821)   | (967,053)   | General and Administrative                                    |  |  |  | 374,719      | 231,671     | 1,576,683    | 2,183,073    | 263,018               | 119,091      | 1,488,173    | 1,870,282    | 1,193,837        | 452,684      | 4,604,681    | 6,251,202    |
| 49,640    | 31,516      | 261,426     | 342,582     | Utilities   |  |  |  | 310,560      | 218,092     | 1,388,827    | 1,917,479    | 461,746               | 369,199      | 1,878,480    | 2,709,424    | 596,540          | 464,325      | 2,141,069    | 3,201,934    |
| 23,776    | 36,647      | 131,153     | 191,576     | Materials and Supplies  |  |  |  | 196,267      | 245,377     | 954,574      | 1,396,218    | 409,504               | 341,189      | 1,429,442    | 2,180,135    | 563,005          | 430,139      | 1,688,624    | 2,681,768    |
| 378,802   | 831,793     | 134,131     | 1,344,726   | Miscellaneous Services  |  |  |  | 2,026,720    | 6,530,664   | 919,306      | 9,476,690    | 2,544,091             | 9,386,610    | 1,545,975    | 13,476,676   | 2,875,124        | 10,015,943   | 2,342,341    | 15,233,408   |
| -         | -           | -           | -           | Treatment & Transportation                                    |  |  |  | -            | -           | -            | -            | -                     | -            | -            | -            | -                | -            | -            | -            |
| 220,000   | 383,460     | 490,000     | 1,093,460   | Depreciation and Amortization                                 |  |  |  | 1,980,000    | 3,451,140   | 4,410,000    | 9,841,140    | 2,644,500             | 4,667,252    | 5,880,000    | 13,191,752   | 2,750,000        | 4,603,000    | 5,880,000    | 13,233,000   |
| 1,576     | 2,159       | 32,242      | 35,977      | Other Expenses  |  |  |  | 8,743        | 31,830      | 954,340      | 994,913      | 76,084                | 1,045,070    | 2,186,728    | 3,307,882    | 3,400            | 1,000,000    | 2,782,916    | 3,786,316    |
| 873,669   | 1,445,234   | 1,804,258   | 4,123,161   | Total Operating Expenses                                      |  |  |  | 6,586,893    | 11,516,460  | 17,845,797   | 35,949,150   | 8,782,748             | 17,058,793   | 26,554,340   | 52,395,881   | 10,088,128       | 17,958,646   | 27,322,826   | 55,369,600   |
| 249,695   | 241,551     | 1,241,339   | 1,732,585   | <b>Net Operating Income</b>                                   |  |  |  | 2,066,466    | 3,802,453   | 10,541,056   | 16,409,975   | 2,560,200             | 1,970,310    | 11,926,283   | 16,456,793   | 1,270,382        | (666,210)    | 14,349,462   | 14,953,634   |
|           |             |             |             | <b>Non-Operating Income (Expense)</b>                         |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| 4,683     | 10,804      | 2,191       | 17,678      | Interest Income   |  |  |  | 62,089       | 149,181     | 160,375      | 371,645      | 89,072                | 179,859      | 166,148      | 435,079      | 160,000          | 200,000      | 900,000      | 1,260,000    |
| (119,532) | (16,332)    | (1,687,624) | (1,823,488) | Interest Expense  |  |  |  | (984,659)    | (151,181)   | (13,313,890) | (14,449,730) | (1,436,287)           | (195,887)    | (16,578,837) | (18,211,010) | (1,508,789)      | (803,082)    | (19,356,023) | (21,667,894) |
| (343)     | (7,562)     | (1,984,348) | (1,992,253) | Other Miscellaneous Income (Expenses)                         |  |  |  | 2,289        | 29,341      | (1,993,767)  | (1,962,137)  | -                     | -            | -            | -            | -                | -            | -            | -            |
| (115,192) | (13,090)    | (3,669,781) | (3,798,063) | Net Non-Operating Income (Expense)                            |  |  |  | (920,281)    | 27,341      | (15,147,282) | (16,040,222) | (1,347,215)           | (16,028)     | (16,412,689) | (17,775,932) | (1,348,789)      | (603,082)    | (18,456,023) | (20,407,894) |
| 134,503   | 228,461     | (2,428,442) | (2,065,478) | <b>Net Income Before Capital Contributions</b>                |  |  |  | 1,146,185    | 3,829,794   | (4,606,226)  | 369,753      | 1,212,986             | 1,954,282    | (4,486,406)  | (1,319,139)  | (78,407)         | (1,269,292)  | (4,106,561)  | (5,454,260)  |
| -         | -           | -           | -           | Capital Contributions   |  |  |  | -            | -           | -            | -            | -                     | -            | -            | -            | -                | -            | -            | -            |
| 134,503   | 228,461     | (2,428,442) | (2,065,478) | <b>NET INCOME</b>   |  |  |  | 1,146,185    | 3,829,794   | (4,606,226)  | 369,753      | 1,212,986             | 1,954,282    | (4,486,406)  | (1,319,139)  | (78,407)         | (1,269,292)  | (4,106,561)  | (5,454,260)  |
|           |             |             |             |   |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| MONTH     |             |             |             | SEPTEMBER 2020<br>CASH FLOW STATEMENT                         |  |  |  | YEAR-TO-DATE |             |              |              | Q3 FULL YEAR FORECAST |              |              |              | FULL YEAR BUDGET |              |              |              |
| Sub W     | Sub WW      | City        | LCA         |   |  |  |  | Sub W        | Sub WW      | City         | LCA          | Sub W                 | Sub WW       | City         | LCA          | Sub W            | Sub WW       | City         | LCA          |
|           |             |             |             | <b>Cash Flows From Operating Activities</b>                   |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| 1,123,364 | 1,686,785   | 3,045,597   | 5,855,746   | Operating Revenues  |  |  |  | 8,653,359    | 15,318,913  | 28,386,853   | 52,359,125   | 11,342,949            | 19,029,103   | 38,480,623   | 68,852,674   | 11,358,510       | 17,292,436   | 41,672,288   | 70,323,234   |
| (653,669) | (1,061,774) | (1,314,258) | (3,029,701) | Operating Expenses (ex D&A)                                   |  |  |  | (4,606,893)  | (8,065,320) | (13,435,797) | (26,108,010) | (6,138,248)           | (12,391,541) | (20,674,340) | (39,204,129) | (7,338,128)      | (13,355,646) | (21,442,826) | (42,136,600) |
| (21,001)  | (787,624)   | (370,535)   | (1,179,160) | Non-Cash Working Capital Changes                              |  |  |  | (723,777)    | (2,652,495) | (2,659,062)  | (6,035,334)  | -                     | -            | (600,000)    | (600,000)    | -                | -            | -            | -            |
| 448,694   | (162,613)   | 1,360,804   | 1,646,885   | Net Cash Provided by (Used in) Operating Activities           |  |  |  | 3,322,689    | 4,601,098   | 12,291,994   | 20,215,781   | 5,204,700             | 6,637,562    | 17,206,283   | 29,048,545   | 4,020,382        | 3,936,790    | 20,229,462   | 28,186,634   |
|           |             |             |             | <b>Cash Flows From Financing Activities</b>                   |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| -         | -           | -           | -           | Capital Contributions   |  |  |  | -            | -           | -            | -            | -                     | -            | -            | -            | -                | -            | -            | -            |
| -         | -           | -           | -           | Proceeds New Borrowing  |  |  |  | -            | -           | -            | -            | -                     | -            | -            | -            | 5,119,500        | 22,635,000   | -            | 27,754,500   |
| (4,009)   | (13,468)    | -           | (17,477)    | Interest Payments   |  |  |  | (728,847)    | (124,933)   | (6,627,694)  | (7,481,474)  | (1,436,287)           | (195,887)    | (10,608,837) | (12,241,011) | (1,508,789)      | (803,082)    | (13,978,238) | (16,290,109) |
| (31,008)  | (45,037)    | (266,629)   | (342,674)   | Principal Payments  |  |  |  | (277,082)    | (406,418)   | (266,629)    | (950,129)    | (2,081,372)           | (542,067)    | (2,040,000)  | (4,663,439)  | (1,832,775)      | (813,353)    | (1,442,932)  | (4,089,060)  |
| (35,017)  | (58,505)    | (266,629)   | (360,151)   | Net Cash Provided by (Used in) Financing Activities           |  |  |  | (1,005,929)  | (531,351)   | (6,894,323)  | (8,431,603)  | (3,517,659)           | (737,954)    | (12,648,837) | (16,904,450) | 1,777,936        | 21,018,565   | (15,421,170) | 7,375,331    |
|           |             |             |             | <b>Cash Flows from Capital and Related Activities</b>         |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| (343)     | (7,562)     | (1,984,348) | (1,992,253) | Non-Operating Income (Expenses)                               |  |  |  | 2,289        | 29,341      | (2,260,396)  | (2,228,766)  | -                     | -            | (533,258)    | (533,258)    | -                | -            | (533,258)    | (533,258)    |
| (544,531) | (1,061,329) | (183,595)   | (1,789,455) | Capital Expenditures, net                                     |  |  |  | (3,722,285)  | (5,520,809) | (1,438,166)  | (10,681,260) | (4,317,875)           | (3,470,734)  | (1,705,939)  | (9,494,548)  | (8,006,600)      | (7,670,500)  | (2,032,084)  | (17,709,184) |
| (544,874) | (1,068,891) | (2,167,943) | (3,781,708) | Net Cash Provided By (Used In) Capital and Related Activities |  |  |  | (3,719,996)  | (5,491,468) | (3,698,562)  | (12,910,026) | (4,317,875)           | (3,470,734)  | (2,239,197)  | (10,027,806) | (8,006,600)      | (7,670,500)  | (2,565,342)  | (18,242,442) |
|           |             |             |             | <b>Cash Flows From Investing Activities</b>                   |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| -         | 125,000     | -           | 125,000     | Investments Converting To Cash                                |  |  |  | 2,227,000    | 3,292,000   | -            | 5,519,000    | 2,227,000             | 3,652,302    | -            | 5,879,302    | -                | -            | -            | -            |
| -         | -           | -           | -           | Purchased Investments   |  |  |  | (1,977,682)  | (3,653,000) | -            | (5,630,682)  | (2,227,000)           | (3,652,302)  | -            | (5,879,302)  | -                | -            | -            | -            |
| 4,683     | 10,804      | 2,191       | 17,678      | Interest Income   |  |  |  | 62,089       | 149,181     | 160,375      | 371,645      | 89,072                | 179,859      | 166,148      | 435,079      | 160,000          | 200,000      | 900,000      | 1,260,000    |
| 4,683     | 135,804     | 2,191       | 142,678     | Net Cash Provided By (Used In) Investing Activities           |  |  |  | 311,407      | (211,819)   | 160,375      | 259,963      | 89,072                | 179,859      | 166,148      | 435,079      | 160,000          | 200,000      | 900,000      | 1,260,000    |
| (126,514) | (1,154,205) | (1,071,577) | (2,352,296) | <b>FUND NET CASH FLOWS</b>                                    |  |  |  | (1,091,829)  | (1,633,540) | 1,859,484    | (865,885)    | (2,541,762)           | 2,608,733    | 2,484,397    | 2,551,368    | (2,048,282)      | 17,484,855   | 3,142,950    | 18,579,523   |
|           |             |             |             | <b>DEBT SERVICE RATIO</b>                                     |  |  |  |              |             |              |              |                       |              |              |              |                  |              |              |              |
| 474,035   | 628,253     | (295,256)   | 807,032     | Total Cash Available For Debt Service                         |  |  |  | 4,110,844    | 7,432,115   | 12,717,722   | 24,260,681   | 5,293,772             | 6,817,421    | 17,439,173   | 29,550,366   | 4,180,382        | 4,136,790    | 20,596,204   | 28,913,376   |
| 293,138   | 61,496      | 1,054,070   | 1,408,704   | Debt Service  |  |  |  | 2,638,242    | 553,464     | 9,486,630    | 12,678,336   | 3,517,659             | 737,954      | 12,648,837   | 16,904,450   | 3,341,564        | 1,616,435    | 15,421,170   | 20,379,169   |
| 1.62      | 10.22       | (0.28)      | 0.57        | <b>DSCR</b>   |  |  |  | 1.56         | 13.43       | 1.34         | 1.91         | 1.50                  | 9.24         | 1.38         | 1.75         | 1.25             | 2.56         | 1.34         | 1.42         |

LEHIGH COUNTY AUTHORITY  
CASH & INVESTMENT ANALYSIS  
YTD SEPTEMBER 2020

| US DOLLARS                          | Suburban<br>Water | Suburban<br>Wastewater | City<br>Division | LCA<br>Total |
|-------------------------------------|-------------------|------------------------|------------------|--------------|
| <b>CURRENT YEAR ENDING BALANCES</b> |                   |                        |                  |              |
| <b>Cash</b>                         |                   |                        |                  |              |
| Unrestricted Operating Cash         | 9,273,670         | 1,895,293              | 2,590,796        | 13,759,759   |
| Unrestricted Project Cash           | 740,841           | 3,613,320              | 170,978          | 4,525,139    |
| Total Unrestricted Cash             | 10,014,511        | 5,508,613              | 2,761,774        | 18,284,898   |
| Restricted Cash                     | 1,499,781         | 338,161                | 58,635,198       | 60,473,140   |
| Total Cash                          | 11,514,292        | 5,846,774              | 61,396,972       | 78,758,038   |
| <b>Investments</b>                  |                   |                        |                  |              |
| Unrestricted Investments            | 2,899,161         | 8,397,617              | -                | 11,296,778   |
| Restricted Investments              | 4,353,524         | -                      | -                | 4,353,524    |
| Total Investments                   | 7,252,685         | 8,397,617              | -                | 15,650,302   |
| <b>Total Cash + Investments</b>     |                   |                        |                  |              |
| Unrestricted                        | 12,913,672        | 13,906,230             | 2,761,774        | 29,581,676   |
| Restricted                          | 5,853,305         | 338,161                | 58,635,198       | 64,826,664   |
| Total                               | 18,766,977        | 14,244,391             | 61,396,972       | 94,408,340   |

|  |            |            |            |            |
|--|------------|------------|------------|------------|
| <b>CURRENT YEAR BEGINNING BALANCES</b> |            |            |            |            |
| <b>Cash</b>                            |            |            |            |            |
| Unrestricted Operating Cash            | 9,073,285  | 4,470,391  | 3,691,201  | 17,234,877 |
| Unrestricted Project Cash              | 2,037,248  | 2,671,991  | 169,980    | 4,879,219  |
| Total Unrestricted Cash                | 11,110,533 | 7,142,382  | 3,861,181  | 22,114,096 |
| Restricted Cash                        | 1,495,588  | 337,932    | 55,676,307 | 57,509,827 |
| Total Cash                             | 12,606,121 | 7,480,314  | 59,537,488 | 79,623,923 |
| <b>Investments</b>                     |            |            |            |            |
| Unrestricted Investments               | 3,136,930  | 7,757,276  | -          | 10,894,206 |
| Restricted Investments                 | 4,593,110  | -          | -          | 4,593,110  |
| Total Investments                      | 7,730,040  | 7,757,276  | -          | 15,487,316 |
| <b>Total Cash + Investments</b>        |            |            |            |            |
| Unrestricted                           | 14,247,463 | 14,899,658 | 3,861,181  | 33,008,302 |
| Restricted                             | 6,088,698  | 337,932    | 55,676,307 | 62,102,937 |
| Total                                  | 20,336,161 | 15,237,590 | 59,537,488 | 95,111,239 |

|   |             |             |             |             |
|---|-------------|-------------|-------------|-------------|
| <b>NET ACTIVITY - INCREASE (DECREASE)</b> |             |             |             |             |
| <b>Cash</b>                               |             |             |             |             |
| Unrestricted Operating Cash               | 200,385     | (2,575,098) | (1,100,405) | (3,475,118) |
| Unrestricted Project Cash                 | (1,296,407) | 941,329     | 998         | (354,080)   |
| Total Unrestricted Cash                   | (1,096,022) | (1,633,769) | (1,099,407) | (3,829,198) |
| Restricted Cash                           | 4,193       | 229         | 2,958,891   | 2,963,313   |
| Total Cash                                | (1,091,829) | (1,633,540) | 1,859,484   | (865,885)   |
| <b>Investments</b>                        |             |             |             |             |
| Unrestricted Investments                  | (237,769)   | 640,341     | -           | 402,572     |
| Restricted Investments                    | (239,586)   | -           | -           | (239,586)   |
| Total Investments                         | (477,355)   | 640,341     | -           | 162,986     |
| <b>Total Cash + Investments</b>           |             |             |             |             |
| Unrestricted                              | (1,333,791) | (993,428)   | (1,099,407) | (3,426,626) |
| Restricted                                | (235,393)   | 229         | 2,958,891   | 2,723,727   |
| Total                                     | (1,569,184) | (993,199)   | 1,859,484   | (702,899)   |

|  |        |        |       |        |
|--|--------|--------|-------|--------|
| Days on Hand - Unrestricted Cash               | 595.50 | 162.26 | 48.76 | 170.24 |
| Days on Hand - Unrestricted Cash + Investments | 767.89 | 409.62 | 48.76 | 275.41 |

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUBURBAN WATER  
SEPTEMBER 2020

| MONTH  |           |             |           |             | SEPTEMBER 2020  | YEAR-TO-DATE |             |             |           |             | FULL YEAR   |             |             |             |             |
|--|-----------|-------------|-----------|-------------|---|--------------|-------------|-------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|
| Actual   | Q3 FC     | Prior Yr    | FC Var    | PY Var      |   | Actual       | Q3 FC       | Prior Yr    | FC Var    | PY Var      | Q3 FC       | Budget      | Prior Yr    | Bud Var     | PY Var      |
| INCOME STATEMENT                               |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| Operating Revenues                             |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| 940,254  | 907,262   | 817,166     | 32,992    | 123,088     | User Charges  | 7,986,673    | 7,893,410   | 7,347,782   | 93,263    | 638,891     | 10,546,404  | 10,582,010  | 9,930,537   | (35,606)    | 615,867     |
| 183,110  | 167,721   | 212,968     | 15,389    | (29,858)    | Connection & System Charges                                   | 666,686      | 626,810     | 774,051     | 39,876    | (107,365)   | 796,545     | 776,500     | 1,000,653   | 20,045      | (204,108)   |
| 1,123,364                                      | 1,074,983 | 1,030,134   | 48,381    | 93,230      | Total Operating Revenues                                      | 8,653,359    | 8,520,220   | 8,121,833   | 133,139   | 531,526     | 11,342,949  | 11,358,510  | 10,931,190  | (15,561)    | 411,759     |
| Operating Expenses                             |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| 417,906  | 418,663   | 127,079     | 757       | (290,827)   | Personnel Costs   | 1,689,884    | 1,742,625   | 1,177,490   | 52,741    | (512,394)   | 2,383,805   | 2,106,222   | 1,525,462   | (277,583)   | (858,343)   |
| (218,031)                                      | (246,744) | 30,368      | (28,713)  | 248,399     | General and Administrative                                    | 374,719      | 263,018     | 621,460     | (111,701) | 246,741     | 263,018     | 1,193,837   | 919,226     | 930,819     | 656,208     |
| 49,640   | 50,355    | 29,282      | 715       | (20,358)    | Utilities   | 310,560      | 314,860     | 336,655     | 4,300     | 26,095      | 461,746     | 596,540     | 488,568     | 134,794     | 26,822      |
| 23,776   | 26,137    | 45,174      | 2,361     | 21,398      | Materials and Supplies  | 196,267      | 222,398     | 266,760     | 26,131    | 70,493      | 409,504     | 563,005     | 402,069     | 153,501     | (7,435)     |
| 378,802  | 245,422   | 257,444     | (133,380) | (121,358)   | Miscellaneous Services  | 2,026,720    | 1,880,366   | 1,838,922   | (146,354) | (187,798)   | 2,544,091   | 2,875,124   | 2,575,929   | 331,033     | 31,838      |
| -  | -         | -           | -         | -           | Treatment & Transportation                                    | -            | -           | -           | -         | -           | -           | -           | -           | -           | -           |
| 220,000  | 220,375   | 229,166     | 375       | 9,166       | Depreciation and Amortization                                 | 1,980,000    | 1,981,125   | 2,062,494   | 1,125     | 82,494      | 2,644,500   | 2,750,000   | 2,602,179   | 105,500     | (42,321)    |
| 1,576  | -         | 45,207      | (1,576)   | 43,631      | Other Expenses  | 8,743        | 5,282       | 48,598      | (3,461)   | 39,855      | 76,084      | 3,400       | 113,253     | (72,684)    | 37,169      |
| 873,669  | 714,208   | 763,720     | (159,461) | (109,949)   | Total Operating Expenses                                      | 6,586,893    | 6,409,674   | 6,352,379   | (177,219) | (234,514)   | 8,782,748   | 10,088,128  | 8,626,686   | 1,305,380   | (156,062)   |
| 249,695  | 360,775   | 266,414     | (111,080) | (16,719)    | Net Operating Income  | 2,066,466    | 2,110,545   | 1,769,454   | (44,079)  | 297,012     | 2,560,200   | 1,270,382   | 2,304,504   | 1,289,818   | 255,696     |
| Non-Operating Income (Expense)                 |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| 4,683  | 4,803     | (14,421)    | (120)     | 19,104      | Interest Income   | 62,089       | 62,257      | 102,778     | (168)     | (40,689)    | 89,072      | 160,000     | 194,200     | (70,928)    | (105,128)   |
| (119,532)                                      | (132,183) | (130,048)   | 12,651    | 10,516      | Interest Expense  | (984,659)    | (1,022,447) | (1,155,556) | 37,788    | 170,897     | (1,436,287) | (1,508,789) | (1,545,029) | 72,502      | 108,742     |
| (343)  | -         | -           | (343)     | (343)       | Other Miscellaneous Income (Expenses)                         | 2,289        | 4,616       | -           | (2,327)   | 2,289       | -           | -           | -           | -           | -           |
| (115,192)                                      | (127,380) | (144,469)   | 12,188    | 29,277      | Net Non-Operating Income (Expense)                            | (920,281)    | (955,574)   | (1,052,778) | 35,293    | 132,497     | (1,347,215) | (1,348,789) | (1,350,829) | 1,574       | 3,614       |
| 134,503  | 233,396   | 121,945     | (98,893)  | 12,558      | Net Income Before Capital Contributions                       | 1,146,185    | 1,154,972   | 716,676     | (8,787)   | 429,509     | 1,212,986   | (78,407)    | 953,675     | 1,291,393   | 259,311     |
| -  | -         | -           | -         | -           | Capital Contributions   | -            | -           | -           | -         | -           | -           | -           | 1,716,419   | -           | (1,716,419) |
| 134,503  | 233,396   | 121,945     | (98,893)  | 12,558      | NET INCOME  | 1,146,185    | 1,154,972   | 716,676     | (8,787)   | 429,509     | 1,212,986   | (78,407)    | 2,670,094   | 1,291,393   | (1,457,108) |
|  |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| MONTH  |           |             |           |             | SEPTEMBER 2020  | YEAR-TO-DATE |             |             |           |             | FULL YEAR   |             |             |             |             |
| Actual   | Q3 FC     | Prior Yr    | FC Var    | PY Var      |   | Actual       | Q3 FC       | Prior Yr    | FC Var    | PY Var      | Q3 FC       | Budget      | Prior Yr    | Bud Var     | PY Var      |
| CASH FLOW STATEMENT                            |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| Cash Flows From Operating Activities           |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| 1,123,364                                      | 1,074,983 | 1,030,134   | 48,381    | 93,230      | Operating Revenues  | 8,653,359    | 8,520,220   | 8,121,833   | 133,139   | 531,526     | 11,342,949  | 11,358,510  | 10,931,190  | (15,561)    | 411,759     |
| (653,669)                                      | (493,833) | (534,554)   | (159,836) | (119,115)   | Operating Expenses (ex D&A)                                   | (4,606,893)  | (4,428,549) | (4,289,885) | (178,344) | (317,008)   | (6,138,248) | (7,338,128) | (6,024,507) | 1,199,880   | (113,741)   |
| (21,001)                                       | (21,000)  | 5,391,649   | (1)       | (5,412,650) | Non-Cash Working Capital Changes                              | (723,777)    | (730,439)   | 4,745,854   | 6,662     | (5,469,631) | -           | -           | 6,008,985   | -           | (6,008,985) |
| 448,694  | 560,150   | 5,887,229   | (111,456) | (5,438,535) | Net Cash Provided by (Used in) Operating Activities           | 3,322,689    | 3,361,231   | 8,577,802   | (38,542)  | (5,255,113) | 5,204,700   | 4,020,382   | 10,915,668  | 1,184,318   | (5,710,968) |
| Cash Flows From Financing Activities           |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| -  | -         | -           | -         | -           | Capital Contributions   | -            | -           | -           | -         | -           | -           | -           | -           | -           | -           |
| -  | -         | -           | -         | -           | Proceeds New Borrowing  | -            | -           | -           | -         | -           | -           | 5,119,500   | -           | (5,119,500) | -           |
| (4,009)  | (4,044)   | (3,860)     | 35        | (149)       | Interest Payments   | (728,847)    | (728,953)   | (756,847)   | 106       | 28,000      | (1,436,287) | (1,508,789) | (1,475,406) | 72,502      | 39,119      |
| (31,008)                                       | (30,974)  | (30,347)    | (34)      | (661)       | Principal Payments  | (277,082)    | (276,976)   | (271,183)   | (106)     | (5,899)     | (2,081,372) | (1,832,775) | (1,725,137) | (248,597)   | (356,235)   |
| (35,017)                                       | (35,018)  | (34,207)    | 1         | (810)       | Net Cash Provided by (Used in) Financing Activities           | (1,005,929)  | (1,005,929) | (1,028,030) | -         | 22,101      | (3,517,659) | 1,777,936   | (3,200,543) | (5,295,595) | (317,116)   |
| Cash Flows from Capital and Related Activities |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| (343)  | -         | -           | (343)     | (343)       | Non-Operating Income (Expenses)                               | 2,289        | 4,616       | -           | (2,327)   | 2,289       | -           | -           | -           | -           | -           |
| (544,531)                                      | (550,000) | (1,847,791) | 5,469     | 1,303,260   | Capital Expenditures, net                                     | (3,722,285)  | (3,690,745) | (4,534,332) | (31,540)  | 812,047     | (4,317,875) | (8,006,600) | (8,687,268) | 3,688,725   | 4,369,393   |
| (544,874)                                      | (550,000) | (1,847,791) | 5,126     | 1,302,917   | Net Cash Provided By (Used In) Capital and Related Activities | (3,719,996)  | (3,686,129) | (4,534,332) | (33,867)  | 814,336     | (4,317,875) | (8,006,600) | (8,687,268) | 3,688,725   | 4,369,393   |
| Cash Flows From Investing Activities           |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| -  | -         | 457,207     | -         | (457,207)   | Investments Converting To Cash                                | 2,227,000    | 2,227,000   | 4,964,224   | -         | (2,737,224) | 2,227,000   | -           | 5,849,670   | 2,227,000   | (3,622,670) |
| -  | -         | (1)         | -         | 1           | Purchased Investments   | (1,977,682)  | (1,977,682) | (1,604,287) | -         | (373,395)   | (2,227,000) | -           | (2,389,820) | (2,227,000) | 162,820     |
| 4,683  | 4,803     | (14,421)    | (120)     | 19,104      | Interest Income   | 62,089       | 62,257      | 102,778     | (168)     | (40,689)    | 89,072      | 160,000     | 194,200     | (70,928)    | (105,128)   |
| 4,683  | 4,803     | 442,785     | (120)     | (438,102)   | Net Cash Provided By (Used In) Investing Activities           | 311,407      | 311,575     | 3,462,715   | (168)     | (3,151,308) | 89,072      | 160,000     | 3,654,050   | (70,928)    | (3,564,978) |
| (126,514)                                      | (20,065)  | 4,448,016   | (106,449) | (4,574,530) | FUND NET CASH FLOWS   | (1,091,829)  | (1,019,252) | 6,478,155   | (72,577)  | (7,569,984) | (2,541,762) | (2,048,282) | 2,681,907   | (493,480)   | (5,223,669) |
|  |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| DEBT SERVICE RATIO                             |           |             |           |             |   |              |             |             |           |             |             |             |             |             |             |
| 474,035  | 585,953   | 481,159     | (111,918) | (7,124)     | Total Cash Available For Debt Service                         | 4,110,844    | 4,158,543   | 3,934,726   | (47,699)  | 176,118     | 5,293,772   | 4,180,382   | 5,100,883   | 1,113,390   | 192,889     |
| 293,138  | 293,138   | 266,712     | -         | 26,426      | Debt Service  | 2,638,242    | 2,638,242   | 2,400,408   | -         | 237,834     | 3,517,659   | 3,341,564   | 3,200,543   | 176,095     | 317,116     |
| 1.62   | 2.00      | 1.80        | (0.38)    | (0.19)      | DSCR  | 1.56         | 1.58        | 1.64        | (0.02)    | (0.08)      | 1.50        | 1.25        | 1.59        | 0.25        | (0.09)      |

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUBURBAN WATER  
SEPTEMBER 2020

| FORECAST VARIANCES - MONTH             |           |           |           |   |
|--|-----------|-----------|-----------|---|
| INCOME STATEMENT                       | Actual    | Q3 FC     | Variance  | Comments  |
| <b>Operating Revenues</b>              |           |           |           |   |
| User Charges                           | 940,254   | 907,262   | 32,992    | Higher industrial, commercial, and residential revenues                 |
| Connection & System Charges            | 183,110   | 167,721   | 15,389    |   |
| Total Operating Revenues               | 1,123,364 | 1,074,983 | 48,381    | Higher user charges   |
| <b>Operating Expenses</b>              |           |           |           |   |
| Salaries and Wages                     | 417,906   | 418,663   | 757       |   |
| General and Administrative             | (218,031) | (246,744) | (28,713)  | Higher internal service costs   |
| Utilities                              | 49,640    | 50,355    | 715       |   |
| Materials and Supplies                 | 23,776    | 26,137    | 2,361     |   |
| Miscellaneous Services                 | 378,802   | 245,422   | (133,380) | Higher analysis costs and fleet management costs                        |
| Treatment & Transportation             | -         | -         | -         |   |
| Depreciation and Amortization          | 220,000   | 220,375   | 375       |   |
| Other Expenses                         | 1,576     | -         | (1,576)   |   |
| Total Operating Expenses               | 873,669   | 714,208   | (159,461) | Higher G&A and Higher services spending                                 |
| <b>Net Operating Income</b>            | 249,695   | 360,775   | (111,080) | Higher operating revenues more than offset by higher operating expenses |
| <b>Non-Operating Income (Expenses)</b> |           |           |           |   |
| Interest Income                        | 4,683     | 4,803     | (120)     |   |
| Interest (Expense)                     | (119,532) | (132,183) | 12,651    |   |
| Other Miscellaneous Income (Expenses)  | (343)     | -         | (343)     |   |
| Capital Contributions                  | -         | -         | -         |   |
| Total Non-Operating Income (Expenses)  | (115,192) | (127,380) | 12,188    | Lower interest expense  |
| <b>NET INCOME</b>                      | 134,503   | 233,396   | (98,893)  | Lower operating income offset partially by lower interest expense       |

| FORECAST VARIANCES - MONTH                                    |           |           |           |   |
|---|-----------|-----------|-----------|---|
| CASH FLOW STATEMENT   | Actual    | Q3 FC     | Variance  | Comments  |
| <b>Cash Flows From Operating Activities</b>                   |           |           |           |   |
| Operating Revenues  | 1,123,364 | 1,074,983 | 48,381    |   |
| Operating Expenses (ex D&A)                                   | (653,669) | (493,833) | (159,836) |   |
| Non-Cash Working Capital Changes                              | (21,001)  | (21,000)  | (1)       |   |
| Net Cash Provided by (Used in) Operating Activities           | 448,694   | 560,150   | (111,456) | Higher operating revenues more than offset by higher operating expenses |
| <b>Cash Flows From Financing Activities</b>                   |           |           |           |   |
| Capital Contributions   | -         | -         | -         |   |
| Proceeds New Borrowing  | -         | -         | -         |   |
| Interest Payments   | (4,009)   | (4,044)   | 35        |   |
| Principal Payments  | (31,008)  | (30,974)  | (34)      |   |
| Net Cash Provided by (Used in) Financing Activities           | (35,017)  | (35,018)  | 1         |   |
| <b>Cash Flows from Capital and Related Activities</b>         |           |           |           |   |
| Capital Expenditures, Net                                     | (544,531) | (550,000) | 5,469     |   |
| Non-Operating Income (Expenses)                               | (343)     | -         | (343)     |   |
| Net Cash Provided By (Used In) Capital and Related Activities | (544,874) | (550,000) | 5,126     | Lower capex   |
| <b>Cash Flows From Investing Activities</b>                   |           |           |           |   |
| Investments Converting To Cash                                | -         | -         | -         |   |
| Purchased Investments   | -         | -         | -         |   |
| Interest Income   | 4,683     | 4,803     | (120)     |   |
| Net Cash Provided By (Used In) Investing Activities           | 4,683     | 4,803     | (120)     |   |
| <b>FUND NET CASH FLOWS</b>                                    | (126,514) | (20,065)  | (106,449) | Higher funds from operations along with lower capex                     |



LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER  
SEPTEMBER 2020

| MONTH                          |           |           |          |           | SEPTEMBER 2020                          |  |  |  |  | YEAR-TO-DATE |            |            |           |           | FULL YEAR  |             |            |           |           |
|--------------------------------|-----------|-----------|----------|-----------|---|--|--|--|--|--------------|------------|------------|-----------|-----------|------------|-------------|------------|-----------|-----------|
| Actual                         | Q3 FC     | Prior Yr  | FC Var   | PY Var    | INCOME STATEMENT                        |  |  |  |  | Actual       | Q3 FC      | Prior Yr   | FC Var    | PY Var    | Q3 FC      | Budget      | Prior Yr   | Bud Var   | PY Var    |
| Operating Revenues             |           |           |          |           |   |  |  |  |  |              |            |            |           |           |            |             |            |           |           |
| 1,524,720                      | 1,519,162 | 1,218,618 | 5,558    | 306,102   | User Charges                            |  |  |  |  | 12,056,752   | 11,981,328 | 10,779,825 | 75,424    | 1,276,927 | 15,626,824 | 16,446,154  | 14,082,154 | (819,330) | 1,544,670 |
| 162,065                        | 48,692    | 78,551    | 113,373  | 83,514    | Connection & System Fees                |  |  |  |  | 3,262,161    | 3,113,280  | 1,896,815  | 148,881   | 1,365,346 | 3,402,279  | 846,282     | 1,616,882  | 2,555,997 | 1,785,397 |
| 1,686,785                      | 1,567,854 | 1,297,169 | 118,931  | 389,616   | Total Operating Revenues                |  |  |  |  | 15,318,913   | 15,094,608 | 12,676,640 | 224,305   | 2,642,273 | 19,029,103 | 17,292,436  | 15,699,036 | 1,736,667 | 3,330,067 |
| Operating Expenses             |           |           |          |           |   |  |  |  |  |              |            |            |           |           |            |             |            |           |           |
| 240,860                        | 242,020   | 60,738    | 1,160    | (180,122) | Personnel Costs                         |  |  |  |  | 807,686      | 819,435    | 620,061    | 11,749    | (187,625) | 1,130,381  | 992,555     | 854,472    | (137,826) | (275,909) |
| (81,201)                       | (133,592) | 11,212    | (52,391) | 92,413    | General and Administrative              |  |  |  |  | 231,671      | 89,091     | 267,960    | (142,580) | 36,289    | 119,091    | 452,684     | 396,588    | 333,593   | 277,497   |
| 31,516                         | 29,009    | 29,011    | (2,507)  | (2,505)   | Utilities                               |  |  |  |  | 218,092      | 237,196    | 321,289    | 19,104    | 103,197   | 369,199    | 464,325     | 438,942    | 95,126    | 69,743    |
| 36,647                         | 34,736    | 25,463    | (1,911)  | (11,184)  | Materials and Supplies                  |  |  |  |  | 245,377      | 243,893    | 239,468    | (1,484)   | (5,909)   | 341,189    | 430,139     | 333,610    | 88,950    | (7,579)   |
| 831,793                        | 808,209   | 850,830   | (23,584) | 19,037    | Miscellaneous Services                  |  |  |  |  | 6,530,664    | 6,547,565  | 7,319,036  | 16,901    | 788,372   | 9,386,610  | 10,015,943  | 9,666,619  | 629,333   | 280,009   |
| -                              | -         | -         | -        | -         | Treatment & Transportation              |  |  |  |  | -            | -          | -          | -         | -         | -          | -           | -          | -         | -         |
| 383,460                        | 383,985   | 383,527   | 525      | 67        | Depreciation and Amortization           |  |  |  |  | 3,451,140    | 3,420,714  | 3,451,743  | (30,426)  | 603       | 4,667,252  | 4,603,000   | 4,571,324  | (64,252)  | (95,928)  |
| 2,159                          | -         | 6,152     | (2,159)  | 3,993     | Other Expenses                          |  |  |  |  | 31,830       | 26,168     | 27,964     | (5,662)   | (3,866)   | 1,045,070  | 1,000,000   | 45,545     | (45,070)  | (999,525) |
| 1,445,234                      | 1,364,367 | 1,366,933 | (80,867) | (78,301)  | Total Operating Expenses                |  |  |  |  | 11,516,460   | 11,384,063 | 12,247,521 | (132,397) | 731,061   | 17,058,793 | 17,958,646  | 16,307,100 | 899,853   | (751,693) |
| 241,551                        | 203,487   | (69,764)  | 38,064   | 311,315   | Net Operating Income                    |  |  |  |  | 3,802,453    | 3,710,545  | 429,119    | 91,908    | 3,373,334 | 1,970,310  | (666,210)   | (608,064)  | 2,636,520 | 2,578,374 |
| Non-Operating Income (Expense) |           |           |          |           |   |  |  |  |  |              |            |            |           |           |            |             |            |           |           |
| 10,804                         | 3,167     | 23,029    | 7,637    | (12,225)  | Interest Income                         |  |  |  |  | 149,181      | 121,525    | 217,907    | 27,656    | (68,726)  | 179,859    | 200,000     | 332,846    | (20,141)  | (152,987) |
| (16,332)                       | (15,239)  | 8,191     | (1,093)  | (24,523)  | Interest Expense                        |  |  |  |  | (151,181)    | (150,171)  | (133,989)  | (1,010)   | (17,192)  | (195,887)  | (803,082)   | (213,115)  | 607,195   | 17,228    |
| (7,562)                        | -         | -         | (7,562)  | (7,562)   | Other Miscellaneous Income (Expenses)   |  |  |  |  | 29,341       | 48,834     | -          | (19,493)  | 29,341    | -          | -           | -          | -         | -         |
| (13,090)                       | (12,072)  | 31,220    | (1,018)  | (44,310)  | Net Non-Operating Income (Expense)      |  |  |  |  | 27,341       | 20,188     | 83,918     | 7,153     | (56,577)  | (16,028)   | (603,082)   | 119,731    | 587,054   | (135,759) |
| 228,461                        | 191,415   | (38,544)  | 37,046   | 267,005   | Net Income Before Capital Contributions |  |  |  |  | 3,829,794    | 3,730,733  | 513,037    | 99,061    | 3,316,757 | 1,954,282  | (1,269,292) | (488,333)  | 3,223,574 | 2,442,615 |
| -                              | -         | -         | -        | -         | Capital Contributions                   |  |  |  |  | -            | -          | -          | -         | -         | -          | -           | 15,000     | -         | (15,000)  |
| 228,461                        | 191,415   | (38,544)  | 37,046   | 267,005   | NET INCOME                              |  |  |  |  | 3,829,794    | 3,730,733  | 513,037    | 99,061    | 3,316,757 | 1,954,282  | (1,269,292) | (473,333)  | 3,223,574 | 2,427,615 |

| MONTH  |           |             |             |             | SEPTEMBER 2020  |  |  |  |  | YEAR-TO-DATE |             |             |             |             | FULL YEAR    |              |              |              |             |
|--|-----------|-------------|-------------|-------------|---|--|--|--|--|--------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|-------------|
| Actual   | Q3 FC     | Prior Yr    | FC Var      | PY Var      | CASH FLOW STATEMENT   |  |  |  |  | Actual       | Q3 FC       | Prior Yr    | FC Var      | PY Var      | Q3 FC        | Budget       | Prior Yr     | Bud Var      | PY Var      |
| Cash Flows From Operating Activities           |           |             |             |             |   |  |  |  |  |              |             |             |             |             |              |              |              |              |             |
| 1,686,785                                      | 1,567,854 | 1,297,169   | 118,931     | 389,616     | Operating Revenues  |  |  |  |  | 15,318,913   | 15,094,608  | 12,676,640  | 224,305     | 2,642,273   | 19,029,103   | 17,292,436   | 15,699,036   | 1,736,667    | 3,330,067   |
| (1,061,774)                                    | (980,382) | (983,406)   | (81,392)    | (78,368)    | Operating Expenses (ex D&A)                                   |  |  |  |  | (8,065,320)  | (7,963,349) | (8,795,778) | (101,971)   | 730,458     | (12,391,541) | (13,355,646) | (11,735,776) | 964,105      | (655,765)   |
| (787,624)                                      | (800,000) | 3,740,690   | 12,376      | (4,528,314) | Non-Cash Working Capital Changes                              |  |  |  |  | (2,652,495)  | (2,665,245) | 3,412,079   | 12,750      | (6,064,574) | -            | -            | 5,595,449    | -            | (5,595,449) |
| (162,613)                                      | (212,528) | 4,054,453   | 49,915      | (4,217,066) | Net Cash Provided by (Used in) Operating Activities           |  |  |  |  | 4,601,098    | 4,466,014   | 7,292,941   | 135,084     | (2,691,843) | 6,637,562    | 3,936,790    | 9,558,709    | 2,700,772    | (2,921,147) |
| Cash Flows From Financing Activities           |           |             |             |             |   |  |  |  |  |              |             |             |             |             |              |              |              |              |             |
| -  | -         | -           | -           | -           | Capital Contributions   |  |  |  |  | -            | -           | -           | -           | -           | -            | -            | -            | -            | -           |
| -  | -         | -           | -           | -           | Proceeds New Borrowing  |  |  |  |  | -            | -           | -           | -           | -           | -            | 22,635,000   | -            | (22,635,000) | -           |
| (13,468)                                       | (17,000)  | (14,952)    | 3,532       | 1,484       | Interest Payments   |  |  |  |  | (124,933)    | (135,002)   | (133,989)   | 10,069      | 9,056       | (195,887)    | (803,082)    | (178,219)    | 607,195      | (17,668)    |
| (45,037)                                       | (47,779)  | (41,029)    | 2,742       | (4,008)     | Principal Payments  |  |  |  |  | (406,418)    | (409,912)   | (368,287)   | 3,494       | (38,131)    | (542,067)    | (813,353)    | (499,110)    | 271,286      | (42,957)    |
| (58,505)                                       | (64,779)  | (55,981)    | 6,274       | (2,524)     | Net Cash Provided by (Used in) Financing Activities           |  |  |  |  | (531,351)    | (544,914)   | (502,276)   | 13,563      | (29,075)    | (737,954)    | 21,018,565   | (677,329)    | (21,756,519) | (60,625)    |
| Cash Flows from Capital and Related Activities |           |             |             |             |   |  |  |  |  |              |             |             |             |             |              |              |              |              |             |
| (7,562)  | -         | -           | (7,562)     | (7,562)     | Non-Operating Income (Expenses)                               |  |  |  |  | 29,341       | 48,834      | -           | (19,493)    | 29,341      | -            | -            | 15,000       | -            | (15,000)    |
| (1,061,329)                                    | (33,548)  | (1,137,153) | (1,027,781) | 75,824      | Capital Expenditures, net                                     |  |  |  |  | (5,520,809)  | (3,470,734) | (4,957,485) | (2,050,075) | (563,324)   | (3,470,734)  | (7,670,500)  | (9,613,149)  | 4,199,766    | 6,142,415   |
| (1,068,891)                                    | (33,548)  | (1,137,153) | (1,035,343) | 68,262      | Net Cash Provided By (Used In) Capital and Related Activities |  |  |  |  | (5,491,468)  | (3,421,900) | (4,957,485) | (2,069,568) | (533,983)   | (3,470,734)  | (7,670,500)  | (9,598,149)  | 4,199,766    | 6,127,415   |
| Cash Flows From Investing Activities           |           |             |             |             |   |  |  |  |  |              |             |             |             |             |              |              |              |              |             |
| 125,000  | 125,000   | 375,281     | -           | (250,281)   | Investments Converting To Cash                                |  |  |  |  | 3,292,000    | 3,291,604   | 4,245,907   | 396         | (953,907)   | 3,652,302    | -            | 5,481,724    | 3,652,302    | (1,829,422) |
| -  | -         | (370,000)   | -           | 370,000     | Purchased Investments   |  |  |  |  | (3,653,000)  | (3,652,302) | (6,285,222) | (698)       | 2,632,222   | (3,652,302)  | -            | (6,783,296)  | (3,652,302)  | 3,130,994   |
| 10,804   | 3,167     | 23,029      | 7,637       | (12,225)    | Interest Income   |  |  |  |  | 149,181      | 121,525     | 217,907     | 27,656      | (68,726)    | 179,859      | 200,000      | 332,846      | (20,141)     | (152,987)   |
| 135,804  | 128,167   | 28,310      | 7,637       | 107,494     | Net Cash Provided By (Used In) Investing Activities           |  |  |  |  | (211,819)    | (239,173)   | (1,821,408) | 27,354      | 1,609,589   | 179,859      | 200,000      | (968,726)    | (20,141)     | 1,148,585   |
| (1,154,205)                                    | (182,688) | 2,889,629   | (971,517)   | (4,043,834) | FUND NET CASH FLOWS   |  |  |  |  | (1,633,540)  | 260,027     | 11,772      | (1,893,567) | (1,645,312) | 2,608,733    | 17,484,855   | (1,685,495)  | (14,876,122) | 4,294,228   |
| DEBT SERVICE RATIO                             |           |             |             |             |   |  |  |  |  |              |             |             |             |             |              |              |              |              |             |
| 628,253  | 590,639   | 336,792     | 37,614      | 291,461     | Total Cash Available For Debt Service                         |  |  |  |  | 7,432,115    | 7,301,618   | 4,098,769   | 130,497     | 3,333,346   | 6,817,421    | 4,136,790    | 4,296,106    | 2,680,631    | 2,521,315   |
| 61,496   | 61,496    | 56,444      | -           | 5,052       | Debt Service  |  |  |  |  | 553,464      | 553,464     | 507,996     | -           | 45,468      | 737,954      | 1,616,435    | 677,329      | (878,481)    | 60,625      |
| 10.22  | 9.60      | 5.97        | 0.61        | 4.25        | DSCR  |  |  |  |  | 13.43        | 13.19       | 8.07        | 0.24        | 5.36        | 9.24         | 2.56         | 6.34         | 6.68         | 2.90        |

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER  
SEPTEMBER 2020

| INCOME STATEMENT                       | FORECAST VARIANCES - MONTH |                |               | Comments  |
|--|----------------------------|----------------|---------------|---|
|  | Actual                     | Q3 FC          | Variance      |   |
| <b>Operating Revenues</b>              |                            |                |               |   |
| User Charges                           | 1,524,720                  | 1,519,162      | 5,558         | Higher residential & commercial revenues                                |
| Connection & System Charges            | 162,065                    | 48,692         | 113,373       | Higher tapping fees and higher inspection fees                          |
| Total Operating Revenues               | 1,686,785                  | 1,567,854      | 118,931       | Higher user charges and higher connection & system fees                 |
| <b>Operating Expenses</b>              |                            |                |               |   |
| Salaries and Wages                     | 240,860                    | 242,020        | 1,160         |   |
| General and Administrative             | (81,201)                   | (133,592)      | (52,391)      | Higher internal service costs   |
| Utilities                              | 31,516                     | 29,009         | (2,507)       |   |
| Materials and Supplies                 | 36,647                     | 34,736         | (1,911)       |   |
| Miscellaneous Services                 | 831,793                    | 808,209        | (23,584)      | Higher contract operator costs  |
| Treatment & Transportation             | -                          | -              | -             |   |
| Depreciation and Amortization          | 383,460                    | 383,985        | 525           |   |
| Other Expenses                         | 2,159                      | -              | (2,159)       |   |
| Total Operating Expenses               | 1,445,234                  | 1,364,367      | (80,867)      | Higher services expense   |
| <b>Net Operating Income</b>            | 241,551                    | 203,487        | 38,064        | Higher operating revenues partially offset by higher operating expenses |
| <b>Non-Operating Income (Expenses)</b> |                            |                |               |   |
| Interest Income                        | 10,804                     | 3,167          | 7,637         |   |
| Interest (Expense)                     | (16,332)                   | (15,239)       | (1,093)       |   |
| Other Miscellaneous Income (Expenses)  | (7,562)                    | -              | (7,562)       |   |
| Capital Contributions                  | -                          | -              | -             |   |
| Total Non-Operating Income (Expenses)  | (13,090)                   | (12,072)       | (1,018)       | Higher interest income more than offset by higher interest expense      |
| <b>NET INCOME</b>                      | <b>228,461</b>             | <b>191,415</b> | <b>37,046</b> | Higher net operating income   |

| CASH FLOW STATEMENT   | FORECAST VARIANCES - MONTH |                  |                  | Comments  |
|---|----------------------------|------------------|------------------|---|
|   | Actual                     | Q3 FC            | Variance         |   |
| <b>Cash Flows From Operating Activities</b>                   |                            |                  |                  |   |
| Operating Revenues  | 1,686,785                  | 1,567,854        | 118,931          | Higher user charges and higher connection & system fees   |
| Operating Expenses (ex D&A)                                   | (1,061,774)                | (980,382)        | (81,392)         | Higher service expenses   |
| Non-Cash Working Capital Changes                              | (787,624)                  | (800,000)        | 12,376           | Favorable working capital movements   |
| Net Cash Provided by (Used in) Operating Activities           | (162,613)                  | (212,528)        | 49,915           | Higher operating revenues partially offset by higher operating expenses then aided by favorable working capital movements         |
| <b>Cash Flows From Financing Activities</b>                   |                            |                  |                  |   |
| Capital Contributions   | -                          | -                | -                |   |
| Proceeds New Borrowing  | -                          | -                | -                |   |
| Interest Payments   | (13,468)                   | (17,000)         | 3,532            |   |
| Principal Payments  | (45,037)                   | (47,779)         | 2,742            |   |
| Net Cash Provided by (Used in) Financing Activities           | (58,505)                   | (64,779)         | 6,274            |   |
| <b>Cash Flows from Capital and Related Activities</b>         |                            |                  |                  |   |
| Capital Expenditures, Net                                     | (1,061,329)                | (33,548)         | (1,027,781)      | Higher capex  |
| Non-Operating Income (Expenses)                               | (7,562)                    | -                | (7,562)          |   |
| Net Cash Provided By (Used In) Capital and Related Activities | (1,068,891)                | (33,548)         | (1,035,343)      |   |
| <b>Cash Flows From Investing Activities</b>                   |                            |                  |                  |   |
| Investments Converting To Cash                                | 125,000                    | 125,000          | -                |   |
| Purchased Investments   | -                          | -                | -                |   |
| Interest Income   | 10,804                     | 3,167            | 7,637            |   |
| Net Cash Provided By (Used In) Investing Activities           | 135,804                    | 128,167          | 7,637            |   |
| <b>FUND NET CASH FLOWS</b>                                    | <b>(1,154,205)</b>         | <b>(182,688)</b> | <b>(971,517)</b> | Higher cash from operations along with favorable financing activities and higher interest income more than offset by higher capex |

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - CITY DIVISION  
SEPTEMBER 2020

| MONTH  |             |             |             |             | SEPTEMBER 2020  | YEAR-TO-DATE |              |              |             |             | FULL YEAR    |              |              |             |             |
|--|-------------|-------------|-------------|-------------|---|--------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|-------------|-------------|
| Actual   | Q3 FC       | Prior Yr    | FC Var      | PY Var      |   | Actual       | Q3 FC        | Prior Yr     | FC Var      | PY Var      | Q3 FC        | Budget       | Prior Yr     | Bud Var     | PY Var      |
| INCOME STATEMENT                               |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| Operating Revenues                             |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| 2,933,961                                      | 2,849,825   | 3,476,227   | 84,136      | (542,266)   | User Charges  | 28,161,079   | 27,994,274   | 28,687,363   | 166,805     | (526,284)   | 37,393,966   | 38,712,488   | 38,630,691   | (1,318,522) | (1,236,725) |
| 111,636  | 40,181      | 22,261      | 71,455      | 89,375      | Connection & System Fees                                      | 225,774      | 153,521      | 674,846      | 72,253      | (449,072)   | 1,086,657    | 2,959,800    | 1,101,025    | (1,873,143) | (14,368)    |
| 3,045,597                                      | 2,890,006   | 3,498,488   | 155,591     | (452,891)   | Total Operating Revenues                                      | 28,386,853   | 28,147,795   | 29,362,209   | 239,058     | (975,356)   | 38,480,623   | 41,672,288   | 39,731,716   | (3,191,665) | (1,251,093) |
| Operating Expenses                             |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| 1,423,127                                      | 1,382,000   | 640,027     | (41,127)    | (783,100)   | Personnel Costs   | 7,642,067    | 7,611,964    | 6,121,243    | (30,103)    | (1,520,824) | 12,145,543   | 7,883,195    | 8,050,023    | (4,262,348) | (4,095,520) |
| (667,821)                                      | (740,554)   | 135,942     | (72,733)    | 803,763     | General and Administrative                                    | 1,576,683    | 1,076,173    | 3,161,784    | (500,510)   | 1,585,101   | 1,488,173    | 4,604,681    | 4,481,586    | 3,116,508   | 2,993,413   |
| 261,426  | 262,479     | 157,542     | 1,053       | (103,884)   | Utilities   | 1,388,827    | 1,402,619    | 1,645,994    | 13,792      | 257,167     | 1,878,480    | 2,141,069    | 2,241,593    | 262,589     | 363,113     |
| 131,153  | 93,623      | 83,323      | (37,530)    | (47,830)    | Materials and Supplies  | 954,574      | 923,543      | 884,816      | (31,031)    | (69,758)    | 1,429,442    | 1,688,624    | 1,240,260    | 259,182     | (189,182)   |
| 134,131  | 160,830     | 118,907     | 26,699      | (15,224)    | Miscellaneous Services  | 919,306      | 917,840      | 1,126,035    | (1,466)     | 206,729     | 1,545,975    | 2,342,341    | 1,834,666    | 796,366     | 288,691     |
| -  | -           | -           | -           | -           | Treatment & Transportation                                    | -            | -            | -            | -           | -           | -            | -            | -            | -           | -           |
| 490,000  | 490,000     | 490,000     | -           | -           | Depreciation and Amortization                                 | 4,410,000    | 4,410,000    | 4,410,000    | -           | -           | 5,880,000    | 5,880,000    | 5,880,000    | -           | -           |
| 32,242   | 25,000      | 37,760      | (7,242)     | 5,518       | Other Expenses  | 954,340      | 905,660      | 368,720      | (48,680)    | (585,620)   | 2,186,728    | 2,782,916    | 1,269,658    | 596,188     | (917,070)   |
| 1,804,258                                      | 1,673,377   | 1,663,501   | (130,881)   | (140,757)   | Total Operating Expenses                                      | 17,845,797   | 17,247,798   | 17,718,592   | (597,999)   | (127,205)   | 26,554,340   | 27,322,826   | 24,997,786   | 768,486     | (1,556,554) |
| 1,241,339                                      | 1,216,629   | 1,834,987   | 24,710      | (593,648)   | Net Operating Income  | 10,541,056   | 10,899,997   | 11,643,617   | (358,941)   | (1,102,561) | 11,926,283   | 14,349,462   | 14,733,930   | (2,423,179) | (2,807,647) |
| Non-Operating Income (Expense)                 |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| 2,191  | 1,503       | 80,530      | 688         | (78,339)    | Interest Income   | 160,375      | 161,637      | 838,894      | (1,262)     | (678,519)   | 166,148      | 900,000      | 1,193,573    | (733,852)   | (1,027,425) |
| (1,687,624)                                    | (1,689,984) | (1,443,140) | 2,360       | (244,484)   | Interest Expense  | (13,313,890) | (13,304,051) | (13,071,360) | (9,839)     | (242,530)   | (16,578,837) | (19,356,023) | (19,387,424) | 2,777,186   | 2,808,587   |
| (1,984,348)                                    | -           | -           | (1,984,348) | (1,984,348) | Other Miscellaneous Income (Expenses)                         | (1,993,767)  | (7,315)      | -            | (1,986,452) | (1,993,767) | -            | -            | (671,000)    | -           | 671,000     |
| (3,669,781)                                    | (1,688,481) | (1,362,610) | (1,981,300) | (2,307,171) | Net Non-Operating Income (Expense)                            | (15,147,282) | (13,149,729) | (12,232,466) | (1,997,553) | (2,914,816) | (16,412,689) | (18,456,023) | (18,864,851) | 2,043,334   | 2,452,162   |
| (2,428,442)                                    | (471,852)   | 472,377     | (1,956,590) | (2,900,819) | Net Income Before Capital Contributions                       | (4,606,226)  | (2,249,732)  | (588,849)    | (2,356,494) | (4,017,377) | (4,486,406)  | (4,106,561)  | (4,130,921)  | (379,845)   | (355,485)   |
| -  | -           | -           | -           | -           | Capital Contributions   | -            | -            | -            | -           | -           | -            | -            | -            | -           | -           |
| (2,428,442)                                    | (471,852)   | 472,377     | (1,956,590) | (2,900,819) | NET INCOME  | (4,606,226)  | (2,249,732)  | (588,849)    | (2,356,494) | (4,017,377) | (4,486,406)  | (4,106,561)  | (4,130,921)  | (379,845)   | (355,485)   |
|  |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| MONTH  |             |             |             |             | SEPTEMBER 2020  | YEAR-TO-DATE |              |              |             |             | FULL YEAR    |              |              |             |             |
| Actual   | Q3 FC       | Prior Yr    | FC Var      | PY Var      |   | Actual       | Q3 FC        | Prior Yr     | FC Var      | PY Var      | Q3 FC        | Budget       | Prior Yr     | Bud Var     | PY Var      |
| CASH FLOW STATEMENT                            |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| Cash Flows From Operating Activities           |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| 3,045,597                                      | 2,890,006   | 3,498,488   | 155,591     | (452,891)   | Operating Revenues  | 28,386,853   | 28,147,795   | 29,362,209   | 239,058     | (975,356)   | 38,480,623   | 41,672,288   | 39,731,716   | (3,191,665) | (1,251,093) |
| (1,314,258)                                    | (1,183,377) | (1,173,501) | (130,881)   | (140,757)   | Operating Expenses (ex D&A)                                   | (13,435,797) | (12,837,798) | (13,308,592) | (597,999)   | (127,205)   | (20,674,340) | (21,442,826) | (19,117,786) | 768,486     | (1,556,554) |
| (370,535)                                      | (370,000)   | (688,355)   | (535)       | 317,820     | Non-Cash Working Capital Changes                              | (2,659,062)  | (2,657,594)  | (949,192)    | (1,468)     | (1,709,870) | (600,000)    | -            | 1,039,533    | (600,000)   | (1,639,533) |
| 1,360,804                                      | 1,336,629   | 1,636,632   | 24,175      | (275,828)   | Net Cash Provided by (Used In) Operating Activities           | 12,291,994   | 12,652,403   | 15,104,425   | (360,409)   | (2,812,431) | 17,206,283   | 20,229,462   | 21,653,463   | (3,023,179) | (4,447,180) |
| Cash Flows From Financing Activities           |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| -  | -           | -           | -           | -           | Capital Contributions   | -            | -            | -            | -           | -           | -            | -            | -            | -           | -           |
| -  | -           | -           | -           | -           | Proceeds New Borrowing  | -            | -            | -            | -           | -           | -            | -            | -            | -           | -           |
| -  | -           | (3,156)     | -           | 3,156       | Interest Payments   | (6,627,694)  | (6,627,694)  | (6,778,678)  | -           | 150,984     | (10,608,837) | (13,978,238) | (13,426,458) | 3,369,401   | 2,817,621   |
| (266,629)                                      | (250,000)   | -           | (16,629)    | (266,629)   | Principal Payments  | (266,629)    | (250,000)    | -            | (16,629)    | (266,629)   | (2,040,000)  | (1,442,932)  | (1,245,000)  | (597,068)   | (795,000)   |
| (266,629)                                      | (250,000)   | (3,156)     | (16,629)    | (263,473)   | Net Cash Provided by (Used In) Financing Activities           | (6,894,323)  | (6,877,694)  | (6,778,678)  | (16,629)    | (115,645)   | (12,648,837) | (15,421,170) | (14,671,458) | 2,772,333   | 2,022,621   |
| Cash Flows from Capital and Related Activities |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| (1,984,348)                                    | -           | (262,430)   | (1,984,348) | (1,721,918) | Non-Operating Income (Expenses)                               | (2,260,396)  | (273,944)    | (524,861)    | (1,986,452) | (1,735,535) | (533,258)    | (533,258)    | (1,195,861)  | -           | 662,603     |
| (183,595)                                      | (180,000)   | (384,189)   | (3,595)     | 200,594     | Capital Expenditures, net                                     | (1,438,166)  | (1,406,641)  | (3,027,860)  | (31,525)    | 1,589,694   | (1,705,939)  | (2,032,084)  | (3,591,927)  | 326,145     | 1,885,988   |
| (2,167,943)                                    | (180,000)   | (646,619)   | (1,987,943) | (1,521,324) | Net Cash Provided By (Used In) Capital and Related Activities | (3,698,562)  | (1,680,585)  | (3,552,721)  | (2,017,977) | (145,841)   | (2,239,197)  | (2,565,342)  | (4,787,788)  | 326,145     | 2,548,591   |
| Cash Flows From Investing Activities           |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| -  | -           | -           | -           | -           | Investments Converting To Cash                                | -            | -            | -            | -           | -           | -            | -            | 3,940,640    | -           | (3,940,640) |
| -  | -           | -           | -           | -           | Purchased Investments   | -            | -            | -            | -           | -           | -            | -            | -            | -           | -           |
| 2,191  | 1,503       | 80,530      | 688         | (78,339)    | Interest Income   | 160,375      | 161,637      | 838,894      | (1,262)     | (678,519)   | 166,148      | 900,000      | 1,193,573    | (733,852)   | (1,027,425) |
| 2,191  | 1,503       | 80,530      | 688         | (78,339)    | Net Cash Provided By (Used In) Investing Activities           | 160,375      | 161,637      | 838,894      | (1,262)     | (678,519)   | 166,148      | 900,000      | 5,134,213    | (733,852)   | (4,968,065) |
| (1,071,577)                                    | 908,132     | 1,067,387   | (1,979,709) | (2,138,964) | FUND NET CASH FLOWS   | 1,859,484    | 4,255,761    | 5,611,920    | (2,396,277) | (3,752,436) | 2,484,397    | 3,142,950    | 7,328,430    | (658,553)   | (4,844,033) |
|  |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| DEBT SERVICE RATIO                             |             |             |             |             |   |              |              |              |             |             |              |              |              |             |             |
| (295,256)                                      | 1,663,694   | 2,361,779   | (1,958,950) | (2,657,035) | Total Cash Available For Debt Service                         | 12,717,722   | 15,064,377   | 16,498,869   | (2,346,655) | (3,781,147) | 17,439,173   | 20,596,204   | 20,611,642   | (3,157,031) | (3,172,469) |
| 1,054,070                                      | 1,054,070   | 1,222,621   | -           | (168,551)   | Debt Service  | 9,486,630    | 9,486,630    | 11,003,589   | -           | (1,516,959) | 12,648,837   | 15,421,170   | 14,671,458   | (2,772,333) | (2,022,621) |
| (0.28)   | 1.58        | 1.93        | (1.86)      | (2.21)      | DSCR  | 1.34         | 1.59         | 1.50         | (0.25)      | (0.16)      | 1.38         | 1.34         | 1.40         | 0.04        | (0.03)      |

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - CITY DIVISION  
SEPTEMBER 2020

| FORECAST VARIANCES - MONTH             |                    |                  |                    |  |
|--|--------------------|------------------|--------------------|--|
| INCOME STATEMENT                       | Actual             | Q3 FC            | Variance           | Comments   |
| <b>Operating Revenues</b>              |                    |                  |                    |  |
| User Charges                           | 2,933,961          | 2,849,825        | 84,136             | Higher residential and commercial revenues   |
| Connection & System Charges            | 111,636            | 40,181           | 71,455             | Higher distribution tapping fees   |
| Total Operating Revenues               | 3,045,597          | 2,890,006        | 155,591            | Higher user charges and tapping fees   |
| <b>Operating Expenses</b>              |                    |                  |                    |  |
| Salaries and Wages                     | 1,423,127          | 1,382,000        | (41,127)           |  |
| General and Administrative             | (667,821)          | (740,554)        | (72,733)           | Higher internal service costs  |
| Utilities                              | 261,426            | 262,479          | 1,053              |  |
| Materials and Supplies                 | 131,153            | 93,623           | (37,530)           |  |
| Miscellaneous Services                 | 134,131            | 160,830          | 26,699             |  |
| Treatment & Transportation             | -                  | -                | -                  |  |
| Depreciation and Amortization          | 490,000            | 490,000          | -                  |  |
| Other Expenses                         | 32,242             | 25,000           | (7,242)            |  |
| Total Operating Expenses               | 1,804,258          | 1,673,377        | (130,881)          | Higher salaries & wages, higher internal services                                  |
| <b>Net Operating Income</b>            | 1,241,339          | 1,216,629        | 24,710             | Higher operating revenues which were partially offset by higher operating expenses |
| <b>Non-Operating Income (Expenses)</b> |                    |                  |                    |  |
| Interest Income                        | 2,191              | 1,503            | 688                |  |
| Interest (Expense)                     | (1,687,624)        | (1,689,984)      | 2,360              |  |
| Other Miscellaneous Income (Expenses)  | (1,984,348)        | -                | (1,984,348)        | Refinancing fees not forecasted  |
| Capital Contributions                  | -                  | -                | -                  |  |
| Total Non-Operating Income (Expenses)  | (3,669,781)        | (1,688,481)      | (1,981,300)        |  |
| <b>NET INCOME</b>                      | <b>(2,428,442)</b> | <b>(471,852)</b> | <b>(1,956,590)</b> | Higher net operating income more than offset by refinancing fees                   |

| FORECAST VARIANCES - MONTH                                    |                    |                |                    |  |
|---|--------------------|----------------|--------------------|--|
| CASH FLOW STATEMENT   | Actual             | Q3 FC          | Variance           | Comments   |
| <b>Cash Flows From Operating Activities</b>                   |                    |                |                    |  |
| Operating Revenues  | 3,045,597          | 2,890,006      | 155,591            |  |
| Operating Expenses (ex D&A)                                   | (1,314,258)        | (1,183,377)    | (130,881)          |  |
| Non-Cash Working Capital Changes                              | (370,535)          | (370,000)      | (535)              |  |
| Net Cash Provided by (Used in) Operating Activities           | 1,360,804          | 1,336,629      | 24,175             | Higher operating revenues which were partially offset by higher operating expenses |
| <b>Cash Flows From Financing Activities</b>                   |                    |                |                    |  |
| Capital Contributions   | -                  | -              | -                  |  |
| Proceeds New Borrowing  | -                  | -              | -                  |  |
| Interest Payments   | -                  | -              | -                  |  |
| Principal Payments  | (266,629)          | (250,000)      | (16,629)           |  |
| Net Cash Provided by (Used in) Financing Activities           | (266,629)          | (250,000)      | (16,629)           |  |
| <b>Cash Flows from Capital and Related Activities</b>         |                    |                |                    |  |
| Capital Expenditures, Net                                     | (183,595)          | (180,000)      | (3,595)            | slightly higher capex  |
| Non-Operating Income (Expenses)                               | (1,984,348)        | -              | (1,984,348)        | Refinancing fees   |
| Net Cash Provided By (Used In) Capital and Related Activities | (2,167,943)        | (180,000)      | (1,987,943)        |  |
| <b>Cash Flows From Investing Activities</b>                   |                    |                |                    |  |
| Investments Converting To Cash                                | -                  | -              | -                  |  |
| Purchased Investments   | -                  | -              | -                  |  |
| Interest Income   | 2,191              | 1,503          | 688                |  |
| Net Cash Provided By (Used In) Investing Activities           | 2,191              | 1,503          | 688                |  |
| <b>FUND NET CASH FLOWS</b>                                    | <b>(1,071,577)</b> | <b>908,132</b> | <b>(1,979,709)</b> | Reinancing fees eroded cash flows  |

Presented: October 26, 2020

| Critical Activities   | System         | Description                                  | Sep-20          | 2020 Totals     | 2019 Totals     | Permit                      |
|---|----------------|--|-----------------|-----------------|-----------------|-----------------------------|
|   |                |  | Daily Avg (MGD) | Daily Avg (MGD) | Daily Avg (MGD) | Daily Max (MGD)             |
| Water Production  | Allentown      | Total  | 22.08           | 21.63           | 21.51           | 39.0                        |
|   |                | Schantz Spring                               | 7.23            | 7.40            | 7.77            | 9.0                         |
|   |                | Crystal Spring                               | 3.66            | 3.86            | 3.88            | 4.0                         |
|   |                | Little Lehigh Creek                          | 11.19           | 10.31           | 9.85            | 30.0                        |
|   |                | Lehigh River                                 | 0.00            | 0.05            | 0.01            | 28.0                        |
|   | Central Lehigh | Total  | 10.95           | 10.36           | 9.75            | 19.04 MGD Avg               |
|   |                | Feed from Allentown                          | 6.90            | 6.88            | 6.93            | 7.0 MGD Avg<br>10.5 MGD Max |
|   |                | Well Production (CLD)                        | 4.05            | 3.48            | 2.80            | 8.54 MGD Avg                |
|   |                | Sum of all (12) other Suburban Water Systems | 0.14            | 0.15            | 0.17            | 1.71 Sum of all wells       |
| Wastewater Treatment  |                | Kline's Island                               | 30.80           | 32.33           | 37.63           | 40.0                        |
|   |                | Pretreatment Plant                           | 5.14            | 5.07            | 5.88            | 5.75 (design capacity)      |
|   |                | Sum of all (5) other Suburban WW Systems     | 0.19            | 0.21            | 0.19            | 0.36                        |
|   |                |  | Sep-20          | 2020 Totals     | 2019 Totals     | 2018 Totals                 |
| Precipitation Totals (inches)   |                |  | 4.16            | 36.74           | 60.66           | 66.96                       |
| Compliance Reports Submitted to Allentown   |                |  | 17              | 215             | 278             | 285                         |
| Notices of Violation (NOVs)   |                | (Allentown + Suburban)                       | 0               | 1               | 1               | 1                           |
| Sanitary Sewer Overflows (SSOs)/Bypasses  |                | (Allentown + Suburban)                       | 2               | 36              | 37              | 78                          |
| Main Breaks Repaired  |                | Allentown                                    | 1               | 14              | 20              | 33                          |
|   |                | Suburban                                     | 0               | 13              | 12              | 23                          |
| Customer Service Phone Inquiries  |                | (Allentown + Suburban)                       | 1,102           | 12,241          | 22,992          | 26,440                      |
| Water Shutoffs for Non-Payment  |                | (Allentown + Suburban)                       | 0               | 280             | 1,956           | 1,838                       |
| Injury Accidents  |                | (Allentown + Suburban)                       | 0               | 7               | 10              | 14                          |
| Emergency Declarations  |                | Allentown                                    | 0               | (3)@\$334,354   | (2)@ \$152,053  | (5) @ \$76,469              |
|   |                | Suburban                                     | 0               | (1)@\$110,000   | (1) @ \$19,335  | (1) @ \$21,197              |
| <b>Significant Repairs/Upgrades:</b> WFP SCADA is in the middle of significant upgrades. Per SCADA Manager George Lill: The PLCs in all (8) Local Control Cabinets are being upgraded. Improvements are also being made for (2) redundant servers, the historical data server, network switches, (3) operator workstations, control software and PLC programming software. The PLC-5s that are being upgraded are at the end of their useful life and are in limited support from Allen-Bradley. Dynac Control software will be upgraded from Version 8.0 to 15.0. All of the servers being replaced are over (13) years old and are at/past the end of their useful lives. |                |  |                 |                 |                 |                             |
| <b>Description of NOVs and/or SSOs:</b> There was one (1) SSO that occurred in September, happening in the city system on Sept 21. There was one (1) bypass that occurred in September, happening at the Heidelberg Heights WWTP on Sept 3. There were zero (0) NOVs in either system that were issued during September.  |                |  |                 |                 |                 |                             |
| <b>Other Highlights:</b> Nothing to report.   |                |  |                 |                 |                 |                             |